

REVOLUTIONARY PERSPECTIVES

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JOURNAL OF THE COMMUNIST WORKERS ORGANISATION

SPAIN 1936: IMPERIALIST WAR



SPAIN 1976: CLASS STRUGGLE

TO OUR READERS

This edition of Revolutionary Perspectives is entirely devoted to Spain. When we planned this over a year ago, it was intended to commemorate the fortieth anniversary of the beginning of the war in Spain and initially our major effort was devoted to revealing that the proletarian nature of those events was mythological. However, the depth of the crisis in Spain today has produced a class movement which, though still young, has already (in terms of consciousness) surpassed that of the 1930's as well as putting the Spanish proletariat amongst the most advanced in the world today. By re-examining "the traditions of the dead generations" and by publicising the deeds of the living, the CWO hopes to ensure that there will be no more nightmares like that of the 1930's.

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NOTE: NEW ADDRESS

All financial and political correspondence should be sent to the group address as follows:

Communist Workers Organisation
c/o Boomtown Books
167 King Street
ABERDEEN
United Kingdom.

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The Class Struggle in Spain Today

From Galicia to Granada, from San Sebastian to Seville, Spain is being swept by the most dramatic mass strikes seen in recent history. What has been the aim of these strikes and demonstrations? Is it to break with "fascism" and bring "democracy" back to Spain? Every Communist Party bureaucrat, every Socialist Party intellectual, and each one of the small groups which opposed Franco must have taken heart from his death. Since last September, when it became clear that Franco was dying, these centrists and leftists have sought alliance with each other to form "platforms" and "juntas" in a manner reminiscent of the Popular Front of 1936. The world's newspapers have been telling us that we are "ON THE BRINK OF A SECOND CIVIL WAR" (The Guardian, 3.10.75.). If this were true it would mean that the Spanish workers, like their forefathers, have already been deflected from an attack on capitalism, and are being mobilised for another capitalist war. Fortunately this is not the case, and the Spanish working class, in common with workers everywhere, have yet to fight their real battles. This article is intended as an assessment of the perspectives for a revolutionary class struggle in Spain today.

The Spanish Economy 1939-76.

After 1939 the Spanish economy suffered from under-utilisation of plant and severe shortages in almost every sector. The reconstruction of Spanish capitalism could not be begun in isolation and had to wait for the imperialist slaughter in the rest of the world to complete its butchery before it could receive aid. This aid was badly needed. In 1947 productivity in iron was only 48.2% of the 1929 figure, whilst the same figure for shipbuilding and construction was 71. and 52% respectively. At the same time, all important consumer goods and supplies to industry were rationed.

But help for Franco was not far away. Despite a formal United Nations vote in 1946, recommending the isolation of Spain, Franco had (in 1943) been given an assurance by Roosevelt that he would not suffer the fate of Hitler and Mussolini. And by 1946, in a Cold War world Franco was to the U.S. "the only general who had ever completely defeated the Communists". As the U.S. now wanted bases in Spain to guard NATO's southern flank, a ten year treaty of "economic assistance and military co-operation" was signed in 1951, by virtue of which the U.S. paid nearly all Spain's military expenditure until the late 1960s. As a consequence loans flowed from New York banks and by 1965 the U.S. government itself had given Spain a total of \$1.8 billion.(1)

(1) See S. Payne "Franco's Spain"

Despite this Spanish capitalism at first remained relatively undeveloped, largely due to the low rate of domestic investment. The post-war years of austerity lasted longer in Spain than in the more developed capitalist countries, and like these others, Spain was forced to take steps towards state capitalism. The National Institute of Industry (INI) was set up to solve the investment problem and soon became the largest source of investment itself. However the money for this investment was not to be readily had, so Franco had to resort to the printing press. The obvious consequence was inflation which averaged 30% p.a. between 1940 and 1959. (1) Clearly there was a limit to this form of finance, and by the late Fifties Spain, hitherto only saved by the expanding tourist trade and massive U.S. aid, was all but bankrupt.

Drastic situations call for drastic measures and the main sufferers were to be the Spanish workers. Wage levels were hit by devaluation and a virtual wage freeze, all of which engendered confidence in business circles and led to further loans from the IMF and U.S. This was all Spain needed, for although Franco did not know it, the "economic miracle" was just around the corner. From 1960 to 1967 Spain's rate of growth of GNP averaged a remarkable 8%, which placed it fourth in the world growth league. (2)

This rapid growth was a product of factors outside Spain. Most significantly the period of post-war reconstruction of the international economy had reached its peak by 1960 so the high level of U.S. investment was now about to be complemented by capital driven from other areas by the falling rate of profit. This basic law of capital accumulation (briefly explained below) (3), demands that a higher mass of profits be continually exacted in order to fund further economic expansion, as well as maintain the average rate of profit. By 1960 this mass of profit could only be found in those countries with the highest rate of exploitation of the working class. Spain was a classic example as the minimum wage was 35p. a day and average earnings (according to Anuario Estadístico 1964), about £2 a week. It is therefore not surprising that foreign capital flowed into the country. FIAT allowed a Spanish version of their car (the SEAT) to be made under licence in Spain, where they were joined by British Leyland, General Electric and Kelvinator among numerous others. Whilst investment brought prosperity, the balance of payments was soon favourable due almost entirely to tourism. By offering cheap holidays to the Western European proletariat, earnings were soon in excess of a billion dollars a year.

The post-1968 economic crisis is the first which the world has experienced since the aftermath of the 1929 Wall St. Crash. There has been no "crash" like that of 1929 today because the

(1) Anuario Estadístico 1960

(2) U.N. World Economic Survey 1969-70

(3) For a full explanation, see "The Economic Foundations of Capitalist Decadence" in Revolutionary Perspectives 2.

increasing tendency to state capitalism throughout the world since then has meant that credit is controlled by states and not solely by private banks. This means that each state lends to others (the U.S.-dominated International Monetary Fund (the IMF) bailed out Britain in 1975, for instance) in order to safeguard the threat to its own accumulation caused by the collapse of a single nation. This is why the global move into depression has been slower and accompanied by high inflation. However, whilst the outward form of the crisis might appear different the underlying causes remain the same.

The central contradiction of capitalist production is the tendential fall in the rate of profit, brought about by the rising organic composition of capital. Stated briefly and simply, this means that competition forces capitalists (state or private) to increase productivity by replacing men (the price of whose labour we call variable capital or v) with machines (or constant capital, c).⁽¹⁾ But as new wealth is created solely by the exploitation of labour (which produces value above what it receives in wages, this unpaid labour we call surplus value or s), then obviously the rate of profit $s/c + v$, will fall. This can only be offset by an increase in the mass of profit (i.e. by getting more s out of the working class), but eventually c will be so large that this will be insufficient to fund further accumulation. At this point the process of capital accumulation slows, contracts and eventually declines.

After World War Two the world economy had been able to recover on the basis of the devaluation and destruction of capital caused by the war. But this was only a repeat of the cycle of war - boom - slump - war which first hit the world in 1914. In 1968 the boom was over and dependence on foreign capital and foreign consumption meant that Spain was among the first casualties of the crisis. The rate of growth of GNP fell to 4.5% in 1967-8, rose in the world mini-boom of 1972-3 to 8.1%, only to slump even more disasterously (in tempo with the world depression), until in 1975 it "was around zero" (The Financial Times 2.3.76.). At the time of writing the Spanish economy displays similar features to that of Italy;

"An officially recorded inflation rate of just over 14% last year has now increased to an annual rate of just over 20%. Unemployment is well in excess of 700,000, nearly 6% of the active workforce, and the underlying trend is upwards. The likelihood is that growth this year will be only marginally above 1975's 0.8% figure" (Financial Times 29.6.76.

But equally serious for the Spanish ruling class is the fact that the national debt has risen massively in the last two years to \$9 billion and new loans with higher interest rates

(1) c also includes raw materials.

and shorter term duration have to be arranged with international banks to cover a further deficit in the balance of payments. For example, a \$1 billion loan subscribed by U.S. and German banks only allows five years to repay and at an interest rate "1½% over the prevailing Eurodollar rate" (Financial Times 30.6.76.). The rapid decline in the numbers of tourists in the last two years, has underlined Spain's dependence on that source to maintain its positive balance of payments. Similarly, the crisis in Europe has meant that the million Spanish workers in France, Belgium, and Germany have found themselves unemployed, and even repatriated, so that a major source of foreign earnings has dried up. With world prices going up, the chronic inability of Spanish capitalism to find sufficient capital to modernise an agriculture which feeds less than 25% of the population has further added to a balance of payments deficit so that it will probably equal last year's \$3 billion record. Now more than ever needing access to the normal EEC channels of credit, it is not surprising that the Spanish ruling class are so concerned with "democratisation".

Franco and the working class

But the most dramatic effect of the world economic crisis in Spain has been to place the Spanish working class at the forefront of the world proletarian struggle against capitalism. The events of the last five years have served to show that it was not Franco that laid the conditions for economic growth and stability in Spain, but rather that it was economic growth which laid the conditions for Franco's frequent boasts of "stability". As recent events in Uruguay, Poland, Greece and Portugal testify, dictatorships tend not to survive an economic crisis. Because there is no second team pretending to be an alternative to the government of the day, as in the liberal democracies, the dictator and his system usually disappear together. Franco died just in time to avoid this, but he died just too late to preserve his own myth, carefully nurtured in all his major speeches, that he had tamed the class struggle.

Few might recall the massive strike against austerity measures which broke out in Barcelona in 1951, involving more than 300,000 workers, and some might even forget that despite all strikes being illegal from 1938 to 1975, Franco had to frequently arrest or "militarise" large numbers of workers in order to maintain labour "discipline" in the Sixties. But the emperor was really seen without his clothes the moment the world economy began to grind to a halt.

In January 1969 a few strikes in the north of Spain made Franco feel compelled to declare a state of emergency in which arrest without trial and military courts (i.e. licence to torture) were the main features. With the growing impetus of the crisis and a new generation of undefeated workers this repression was not enough. The Spanish working class remain

amongst the most exploited in Europe. Throughout the Sixties they had only been able to get the benefits of the "economic miracle" by working on average fourteen hours a day, though this seemed like a great luxury when compared to the first twenty years of Francoism. For this reason, when the government attempted to make the working class pay for world-wide inflation the response was immediate and wide-ranging.

A new era of mass strikes gripped Spain, beginning with the strike of 20,000 SEAT car workers in Barcelona in 1971. The significance of this particularly violent struggle was not only in its level of activity but (and this contrasts with the Thirties) it also came at a time when workers all over the world, from Argentina to Poland, were beginning to respond to the crisis in a way in which they had not done since the post-war revolutionary wave.

Whilst a period of relative calm followed through 1972-3 (in keeping with the world mini-boom), this was just the lull before the real storm which broke in 1974 and has continued to this day. In July 1974 the renewed strike wave began in Galicia (an area not noted for militancy), crossed Northern Spain to Pamplona and ended up once again in Catalonia where a general strike was called encompassing 30,000 workers in Bajo Llobregat. A full analysis of the successes and shortcomings of these strikes from a communist point of view will be made below. Here, in order to complete the chronological picture, we will move on to the next wave of strikes, in November 1974, in January 1975 and in January 1976, each one seeming to take up from where the previous one left off. Mass strikes, pitched battles with the police, the takeover of towns and districts by workers and the deaths of workers had shaken the foundations of the Spanish order. Even before the death of Franco the Spanish ruling class were struggling towards a new policy and all those groups which claim to be an "opposition" were trying to integrate themselves into this process.

Trade unions and the bourgeois order

Faced with the possibility of the total breakdown of his system, Franco had made some attempts to control the struggle of the working class. That these were rather pathetic and clearly ineffectual does not mean that from a bourgeois point of view he had hit on the wrong policy. The same policy had worked successfully in most of the capitalist world and it is a policy which Franco's heirs will try to implement as speedily as possible. This policy? The creation of "free" trade unions.

As early as 1968 Franco had realised the dangers of having only the CNS (the State-run unions in which management participated) as negotiators between the classes. Apart from the fact that the workers did not take them seriously in times of calm (Marilyn Monroe was often voted for in CNS elections), in

times when the class struggle took on a more open form the workers would simply by-pass the CNS. Franco's first idea was to give the CNS a measure of independence from the only legitimate political party in Spain, the National Movement. By making it appear as though this was a reluctant concession he hoped that the workers would believe it to be a genuine gain. However, the era of mass strikes had already arrived and the CNS proved as ineffectual as he feared in getting the workers back to work. In 1971 Franco was thus forced to recognise as legal (after the SEAT strike) strikes for "social demands" (i.e. over wages and working conditions). In 1972 Franco hinted at further changes, though as the class struggle died these were forgotten until the new wave of activity after 1974.

Since Franco's death liberalisation moves have been just as slow, though in the sphere of labour relations "reforms" have as yet been much greater than in any other area of Spanish society. Clearly this is no accident and is obviously an attempt to contain the class struggle. Whatever contribution trade unions might have made to the development of the organisational capacities and self-awareness of the working class in the nineteenth century, today they can only act as a weapon of the bourgeoisie. Today capitalism is a decadent social system which can offer the working class no significant improvements in its condition of life. The very dynamic which created so much prosperity - the drive for profit, is today the greatest barrier to it being able to surmount the present era of crises. The unions are thus used by capitalism to break the news gently to the workers that they will have to accept cuts. Any state without trade unions is at an obvious disadvantage in any heightening period of class struggle. Without the cushioning effect of union mediators who tell the workers not to strike until "negotiations" with the management are complete, who, in order to keep a degree of credibility, make grumbling noises about "the rising level of unemployment" - without them, every struggle flares up that much more quickly. If there is no union charged with negotiating the rate of exploitation, the workers quickly focus on their real enemy - the capitalist state. It is no coincidence that in recent years the most militant and class conscious workers have been in Spain and Poland where neither have had to smash any illusions in the reforming capacity of the unions.

However, the Spanish ruling class has become acutely aware of this through the recent class struggle and it has therefore had to move towards creating the kind of trade unions which will be more effective in taming the workers. Already the capitalists have begun to negotiate with the workers' Commissions despite their "illegality". This fact highlights one of the major difficulties for the bourgeoisie in achieving organs to tame the class struggle will be in healing the divisions in their own ranks.

The Spanish Communist Party and the Workers' Commissions

Since the end of the revolutionary wave in 1921 and the consequent establishment of the state capitalist regime in Russia, the word "communism" has come to stand, not for a working class future, but for a new level of capitalist exploitation backed with the full power of the state apparatus. The parties which thus emerged from the failure of the revolutionary wave are communist in name only. Their perniciousness lies in their pretensions to represent working class interests and as such they are a bourgeois fifth column seeking influence within the working class. The Spanish Communist Party (henceforth PCE) is no different to its counterparts elsewhere and one of its main problems is that the Spanish working class is already beginning to perceive more clearly its true nature.

The tactics of the Spanish government in relation to the PCE have been to drive a wedge between it and all the other opposition parties. Thus the Spanish government denounced the formation of the "Democratic Co-ordination" at the beginning of the year because the PCE had succeeded in aligning itself alongside all the other bourgeois parties. In similar vein the government gave permission for the UGT and CNT (the illegal unions of the Socialist Party and anarcho-syndicalists respectively) to hold congresses in Spain whilst refusing a similar favour to the Workers' Commissions.

The reasons for the opposition of the Spanish government to the legalisation of the PCE are not difficult to understand. In the first place the power of the regime still rests on the unshakeable loyalty of the same army which defeated the "Communists" in 1939. In the second place, the PCE has nothing positive to offer the regime in return. In Portugal the Communist Party there had a certain degree of ascendancy so long as the ruling factions felt that it alone could tame the class struggle. When this illusion was shattered the Portuguese Communist Party was dispensed with and now Juan Carlos can have little confidence that the PCE will be any more successful with the Spanish working class.

Given this situation the PCE has indulged in a rather curious game of manoeuvre. First, in its own name it has sought to make itself respectable to all sections of the Spanish ruling class (the Army and extreme Right) because the PCE fears that political organisations which are legal might take away its membership. Carrillo, the PCE leader, has gone further than either his French or Italian counterparts to espouse "euro-communism" and present the PCE as a Spanish national party. Apart from proclaiming the slogan "Everything that is national is ours", Carrillo has talked of the role of the PCE in a "democratic and pluralist Spain". In line with this policy it was the moving instrument in uniting the two main opposition factions, the leftist "junta" and liberal "platform" into the "Democratic Co-ordination".

Whilst in its own terms, the PCE has been successful with its bourgeois cohorts, it has been less successful in its industrial policy. As we saw above the Spanish ruling class have slowly recognised the advantages of unions for capitalism, a fact which the PCE has sought to take advantage of. In this they have their own instrument - the Workers' Commissions. These were formed by striking workers in the Fifties in an attempt to maintain a permanent strike organisation, but like all attempts at a permanent opposition to capitalism in a non-revolutionary situation, they became fossilised into a bureaucratic apparatus which was soon filled and controlled by the cadres of the PCE. Not content with this illegal organisation the PCE has sought to infiltrate the state-run unions, the CNS, as well. Until the last couple of years these attempts were usually foiled by frequent government purges, but recently the regime has turned a blind eye to this. This has suited the PCE wonderfully well, for, on the one hand, it is able to point to the past prosecution of its members in the COs and thereby prove its "class loyalty"; on the other, it is also preparing for the possibility that the CNS will be made "independent" of the regime by infiltrating that organisation. Thus the PCE plays a double game in the unions as well, in the hope that whatever the outcome, it will be in a position to control or deflect the class struggle into capitalist channels.

The recent wave of working class unrest has exposed the contradictory policy of the PCE of trying to maintain that it is both a good workers party and a good capitalist party (for us the latter is in no doubt!). In April of this year it tried to show the Government how indispensable it was to a solution of the "labour problem" by trying to sabotage a strike wave in Barcelona,

"In(the Workers' Commissions) strongholds, such as SEAT, Bajo Llobregat and Tarrassa work continued, while in hundreds of small and medium enterprises the workers were already in the streets. The appeal of the CO's was followed without discussion by their militants." (Quoted in Workers Voice no.20)

and when the workers do take to the streets the PCE also tries to prevent any other slogans but theirs from being chanted. Thus we have seen extremely class conscious strikes end by mouthing bourgeois aims such as "democracy" and "amnesty" - this signifies the collapse of the struggle.

The overall impression that the PCE and CO's have thus tried to give the Spanish government is that the class struggle can be turned on and off at the will of the PCE and therefore it could be a useful ally or a powerful enemy. As yet the government remains unmoved by this combination of bluster and pleading, though it is possible that a renewed burst of class activity might alter this. It is more likely, however, that the other leftist groups will not agree to any constitutional

move which does not include legalising the PCE. If the other opposition groups become identified with the State this will allow the PCE to present itself as a separate, independent opposition. It is this kind of manoeuvring between the factions of the bourgeoisie which will ensure a slow change in Spain.

Regionalism

Because the working class has a single class interest, the establishment of communism, it is easy to forget that the bourgeoisie has not, and, because of the nature of capitalist competition, not only struggles against the working class but also against other bourgeois factions. This is not necessarily a matter of rejoicing for the proletariat, if (as in the Spanish Civil War) it allows itself to be used as cannon fodder for one or other side.

Today in Spain there are so many factions representing so many interests of the bourgeoisie that it is almost comical. The kaleidoscope of history has produced some truly weird and wonderful patterns in Spain. Most bizarre of all is the Carlist party. Once a supporter of Franco with its own requetes or militia, it was originally the party supporting absolute monarchy and refused to accept the constitutional monarchical dynasty presently holding power. Today however their latest pretender is allied to the PCE and calls for a "socialist monarchy" a la Sihanouk.

This Navarre sideshow and other rejuvenated obsolescences apart, the central issue which has traditionally divided the Spanish ruling class has been regionalism. Since the beginning of the fifteenth century Spain has grown through the absorption of peripheral provinces like Catalonia, Galicia, and the Basque country by Castile. Castile has thus always stood for a centralised Spanish state. The material basis for separatism emerged with the beginnings of capitalism in Northern Spain in the late fifteenth and early sixteenth centuries. Under the feudal laws of Castile, Barcelona and Bilbao were denied access to the apparent wealth of the gold and silver produced by Indian slaves in the New World colonies. However this meant that these areas developed productive industries, the source of real wealth (and eventually that part of the gold which did not go to N. Europe found its way to these areas). Castile remained poor, a region of land-owners who could not farm, instead exacting tribute from the Basque and Catalan bourgeoisie.

This eventually led to separatist movements in the industrial provinces which in the 1930s had clearly distinguishable parties, the PNV (in the Basque country) and the Esquerra and Lliga Catalana (in Catalonia). All these representatives of the provincial bourgeoisie were in the Popular Front in the Civil War as it offered autonomy to the regions. To their credit the workers in these areas have shown little enthusiasm for these parties, though in the case of Barcelona, the

so-called anarchists were often bourgeois nationalists demanding a federal system of government in Spain. (1)

The inability of the dictatorship to face up to the crisis has lent force to the old separatist demands in Galicia, Catalonia and the Basque Provinces. However the old separatist parties led by the industrial bourgeoisie have been largely replaced by the more radical groups of professionals, students and other petty bourgeois elements. These, as elsewhere, have been hardest hit by inflation and, as elsewhere, have blamed this on the "remoteness" and centralisation of government. (2)

These new movements present a far greater threat to the working class than the old nationalist movements which were so obviously tied to industrial and commercial capital. In Galicia and Catalonia today's nationalists have made no inroads into the working class, and indeed the gulf between Catalan nationalism and the working class has become even wider, but in the Basque Provinces groups like ETA VI, by adopting the nationalist/populist ideology of Maoism, pretend that they have something to offer the workers. In like manner the PCE, true to its policy of backing as many horses at once, and to the Leninist confusion of working class interests with national liberation struggles, has divided itself into nominally different communist parties for each region.

What success nationalist/separatist ideology has had in dividing the Spanish workers is hard to assess at this point in time. So far what seems to have happened is that only in the Basque Provinces have the working class supported nationalist demonstrations. But even here support has been confined to the coastal province of Guipuzcoa (around San Sebastian), an area not noted for being class conscious in the past. The migration of a quarter of Spain's rural workers to join the proletariat of N-E Spain, has, in the last two decades, further undermined the basis of nationalist support within a localist working class. Good examples of this can be found in events in Pamplona in January, 1976, where workers transformed its traditional monarchist associations by briefly seizing control of the town; and in Vitoria where workers violently confronted the State (resulting in four deaths and fifty injured) over what was initially a wage struggle. Forty years ago these towns in the Basque Provinces would have been considered nationalist strongholds. It is clear that a class conscious working class cannot simply take up a passive position towards the nationalists and one of the signs of a developing class movement will be the appearance of an internationalist outlook in its struggles. As we shall see below the Spanish workers have already taken positive steps in this direction.

(1) Many of the anarchists, like Federica de Montseny made no secret of their nationalism and took their inspiration from the Catalan nationalist Pi Y Margall rather than Bakunin.

(2) See Workers Voice 20 for our views on Scottish Nationalism.

The Coming Class Struggle in Spain

The world economic system has no solutions within the capitalist integument. Perhaps the system might stagger from mini-boom to slump a couple of times more, but there can be no permanent solution to a permanent crisis. The capitalist attempt at a solution will always involve an increase in the rate of exploitation and it is this factor which will create the objective conditions for a communist revolution.

Nowhere is this perspective more clear than in Spain. In the last four or five years we have witnessed an intensification of the class struggle caused solely by this factor. With the level of real wages falling drastically in the face of an annual inflation rate in excess of 20%, and increased unemployment meaning the decline of the two income family, there is no doubt who is being asked to pay for the crisis.

In this situation the Spanish workers have responded with one of the most historically significant struggles of recent years. Certainly when we look at it in retrospect it will be found that these struggles were far more significant than those of the Thirties. Then the level of class consciousness did not develop beyond obeying the orders of organisations whose political programmes were opposed to working class interests. As we show later in this issue the masses never seized the initiative either in October 1934 or in the July 1936 events. Today however there has been a process of development of class awareness in Spain which promises much, though it would be childish to pretend that everything about these struggles has been positive. What we must do is to provide an accurate balance sheet of their successes and failures.

The most positive feature of the wave of strikes is that a process of self-education of the workers is clearly discernible. In 1972 the present wave of mass strikes which have all been notable for the way in which they have confronted the forces of the State, began at the SEAT factory in Barcelona. But this strike never went beyond the bounds of its particular factory. By July 1974 the workers of Bajo Llobregat were sending "pickets of information" from one factory to another spreading news and asking for solidarity. Whilst this represented a significant advance, the Workers' Commissions still managed to maintain a degree of control which hamstrung any further development. But in the last two strike waves (Jan. 1975 and Jan. to April 1976), not only have the numbers simultaneously on strike been counted in hundreds of thousands, (600,000 in Jan. 1976), not only have these strikes spread from factory to factory, and from region to region, not only did the workers take over a whole town for a brief period, but just as significantly they have broken out of the attempts of the unions to constrain them. The working class has also added new dimensions of internationalism to its qualities (the material conditions for which exist today as they never existed in the Thirties).

"Just as our labour is international, capital which exploits us knows no frontiers or races. We the workers of Bultaco recognise that we belong to the working class which is not only international but which carries in it ...the future of the world ..."
(leaflet of the Assembly of Bultaco workers May 1976)

Within Spain this kind of solidarity has not merely taken the form of words. When a strike has broken out, wherever it has been, or whatever the issue, the strike wave has spread. Workers have immediately walked out on sympathy strikes in such a way that neither union officials or "enlightened" bosses could get them back to work. If the workers have no demands capitalism obviously cannot make immediate concessions in order to buy time and take the steam out of the situation. Implicit in the actions of the Spanish workers is the recognition that capitalism has nothing to offer. It is for this reason that we say that the Spanish strikes have been the most significant in recent working class history.

For the CWO the assertion that these struggles are the highest expression of the class struggle at present is based not on a formal assessment of their achieving 9 out of 10 on some abstract scale or other, but in the tendency which they have shown towards breaking with capitalist relations. Clearly workers do not jump from demanding wage rises to demanding communism overnight. There must be a process, longer or shorter depending on specific conditions, through which the workers must pass, and in which more and more obstacles to the workers' awareness of the necessity of communism are overcome. In any struggle where we see workers learning from past experience and moving beyond their previous level of consciousness communists can be involved. We do not sit on the sidelines with our perfected communist programme waiting for the workers to pass all the tests before participating in the struggle. Rather in those struggles, like those in Spain which have communist potential, the communists should be active, pointing out the successes as well as the failings of the movement.

In this respect the real test of the Spanish workers is yet to come. They have not yet confronted capitalism's more subtle means of containment. There are no lengths to which the Spanish Government would not go in order to emasculate the class struggle. If pushed they would abandon their attempts to present the CNS as an independent trade union and legalise the workers' Commissions; but this alternative would only be considered if the regime was faced by an almost revolutionary level of class struggle. Whilst this is not yet on the agenda it is clear that a flexible capitalist government will try all kinds of tactics and will attempt to recuperate any independent class organs. For example, they could turn the Factory Assemblies into permanent negotiating bodies similar to the shop stewards in Britain, thus

transforming organs of the class into organs against the class.

Should the Spanish workers transform their economic struggle for a better standard of living on to the political plane, they have already the form capable of carrying out that transformation in the mass factory assembly. On occasions rejecting all forms of delegation, the mass assemblies have sought to involve all the workers in the running of their own strike. As such they provide an indispensable bridge towards a proletarian alternative to the capitalist state. But we must recognise that it is still possible for the Spanish State to recognise the mass assembly in an attempt to emasculate it (just as the German Social Democrats did with the Works Councils in 1918). And even at present the end of each wave of struggle sees the mass assembly give way to the Workers' Commissions. At the present stage of the crisis this is understandable. The unions exist to negotiate with capital over the wage rate, the mass assembly points to the destruction of capitalism itself. Obviously if the latter task is not on the agenda the struggle will give way to the negotiators while the class reforms and gathers its strength. Luxemburg has already summarised this situation in a different time and place;

"The most precious, because lasting, thing in this rapid ebb and flow is its mental sediment; the intellectual, cultural growth of the proletariat, which proceeds by fits and starts, and which offers an inviolable guarantee of their future irresistible progress in the economic as well as the political struggle."

("The Mass Strike" p.35)

Here we should emphasise the qualitative difference between the nature of the class struggle in Spain today as compared with the Thirties. Then the Spanish working class, though not physically defeated themselves were attempting to struggle in a world in which the bourgeoisie was everywhere triumphant. In Spain itself no section of the class went beyond the Popular Front (or even challenged it) and the counter-revolutionary ideas of of "anti-fascism" and "self-management" replaced the anti-capitalist struggle. Given this domestic and international context it is not surprising that no communist group emerged from the struggle itself.

But the situation is radically different today. The successive waves of militancy have taught the Spanish workers a great deal already. The general level of consciousness has been such that out of the mass strikes have come communist groups which have begun to criticise all varieties of capitalism including the state capitalist alternative of the unions, PCE, Trotskyists, and Maoists. In Spain today there is a struggle which communists can relate to because it is creating a communist consciousness. The fertile breeding ground for communist ideas is in the nature of the strikes themselves. Nowhere else in the world are there such widespread strikes, involving such a great mass of workers, who strike without

demands, but in solidarity with workers anywhere and in any industry.

The struggle in Spain is, as yet, isolated by its very advanced nature. For example, that paragon of militancy, the British working class has still to break out of the sectionalism and craft mentality which its history of being organised in craft unions has imposed upon it. A new level will be reached when the crisis in Britain comes to equal that in Spain, but at present communists in the U.K. do not have the same potential for involvement in the class movement, as communists in Spain where the class struggle has reached a higher stage. However workers in Britain, in common with the rest of the world proletariat, have not yet taken on the capitalist state and been ideologically or physically crushed by it. Thus when we today call for the solidarity of the world's workers with our Spanish comrades we are not, like our Bilan comrades of the past, merely expressing a pious wish, but proclaiming the unfolding of a definite process.

However this will not be an overnight revelation and it will be some time before the final battle begins. In the meantime the bourgeoisie, consciously or unconsciously, will attempt to draw the workers into their game of manoeuvre. The PCE in particular will pursue its tactic of using the workers' militancy as a pawn in its game with the Government. In order to strengthen its position within the working class it revives memories of the Thirties, creates new "Popular Fronts" like the "Democratic Co-ordination" and it pretends that the "anti-fascist" struggle is the beginning of the struggle against capitalism. This is exactly the same position as the anarchists in the Spanish Civil War. "First we fight the war, then we make the revolution". But as history showed then the workers can never fight for a bourgeois faction and for their own interests. The workers war is the revolution. It is the only civil war - against all bourgeois interests.

But in spite of the alarmism of the Leftists there will be no war in Spain today like that in the Thirties. Then the crisis of world imperialism was such that renewed accumulation could only be funded on the basis of re-armament. War was a necessity and it was the aid from the Fascist governments on the one side and from the Soviet regime on the other which transformed Franco's coup into an imperialist war. Today the world crisis has not yet reached such a stage. The Helsinki agreement is the Locarno Pact of the Seventies. Whilst capitalism will allow bush warfare in Africa and Asia, it cannot contemplate a war so near its hearlands.

With no international support for war for either side in Spain, and with the Army, the one force capable of overthrowing the regime, able to stage a coup only on pain of seeing Spain's economy collapse into shambles because of the almost certain boycott of Spain by the EEC and IMF-like, war is the last thing the Spanish bourgeoisie want. Whilst

in the Thirties the Army found the Republic a complete anathema today it will be forced to agree, however much it slows down the process, to gradual "democratisation". The government, on the other hand, will not wish to move too fast and alienate its own forces - certainly the victors of the Civil War will stand firm as long as possible against the legalisation of the same PCE they destroyed in 1939.

The one force which might have accelerated change - the development of the economic crisis, has, as we have shown earlier, been slower and more drawn out than in the Thirties. The development of statified capitalism and the change in the system of credit has enabled whole economies to be supported in a manner unthought of fifty years ago. There is as yet, no dramatic collapse of the Spanish economy and it is possible that the level of class struggle might not reach the intensity required to create the panic which would bring the left wing of capital (PCE, PSOE) into the Spanish government. Indeed, the workers of Spain could well show their hand before the bourgeoisie are able to shuffle the pack once more. It is then that the slogans of today's Spanish communists,

"For the organisation of the class!
For the autonomy of the class!
For the world communist revolution!"

will become reality.

CWO October, 1976

Publications of the C.W.O.

Copies of the following are still available:

The Platform of the C.W.O. (5p)	Revolutionary Perspectives 3 (30p)
Revolutionary Perspectives 1 (20p)	Perspectives for the Coming Period
Theories of State Capitalism	The question of Organisation
Barcelona - May 1937	Theses on Parliamentarism
Revolutionary Perspectives 2 (30p)	Revolutionary Perspectives 4 (30p)
Marxism and the Irish Question	Russia 1917-23
Economic Foundations of Capitalist Decadence	Convulsions of the I.C.C.
KAPD Theses on the Party	The KAPD Programme 1920

The Revolutionary Myth

SPAIN AND THE WORLD CRISIS OF 1929

Every leftist group from Stalinists and Social Democrats to anarchists has its own mythology concerning events in Spain in the Thirties. None of them agree on what was revolutionary but they all agree that there was some kind of "revolution" in Spain at this time. But what really did happen? And how do we judge whether a class movement is revolutionary or not? In the context of these two questions this article seeks to provide a re-appraisal of the events in Spain which will be a starting point for a communist understanding of them. It is only within the context of the international economic crisis which broke out in 1929 that we can lay the basis for an understanding of the events in Spain from the early 1930's onwards.

In the 1920's Spain had been governed by a military dictator, Primo de Rivera. By bringing an element of "social peace" (i.e. curbing strikes by a combination of repression and "benefits" to workers) he attracted foreign capital to Spain (for example, the Spanish Telephone Company, run by Americans). Like the rest of the European economy, Spain was relatively prosperous and the infant tendencies towards state capitalism (cartelisation, monopolies, state regulation, public corporations) visible in Britain and elsewhere were paralleled in Spain (especially in Catalonia where the traditionally small enterprises were developing into large combines).

But the world financial collapse of 1929, the inelasticity of the world credit system and Spain's dependence on the international market for capital and sales meant that the Spanish economy was soon in desperate straits. The Army had no solutions to offer in this crisis and the dictator fled to Paris. The centralising, monarchical tendency of the Spanish bourgeoisie was unable to hold Spain together and thus gave way to the federalist republicans.

The two tendencies represented a fundamental division within the Spanish bourgeoisie. On the one side, there were the industrial capitalists, based mainly in the Catalanian and Basque regions where almost all of Spanish capital was based. Politically and economically these favoured a federalism which would give a great degree of independence to these regions. Hence their support for the Republic which offered such freedom. Historically, though these regions were the economic backbone of Spain, they had always been overtaxed by Central government in Madrid. The latter had, through all of Spain's history, been

based on the support of the great landowners. Consequently, government policy had always favoured agricultural rather than industrial capital. Hence Spain's industrial backwardness compared to most of Western Europe. With the exception of the short-lived First Republic in the 1870's, Spain's political and economic life had been dominated by these "centralizing, conservative traditionalists". Now, with the arrival of the Second Republic, the federalists awaited their victory. The Republic had been established because of the Right's failure to deal effectively with the 1929 economic crisis. The tragedy for the Spanish working class was that they not only took sides in this bourgeois faction fight, but were to be slaughtered in its outcome.

The Spanish Second Republic lasted for five years from 1931-36, during which time the Left (that is the parties of the industrial capitalists) held power for two years, the Right for two years and the Left returned to power in February, 1936 only to be faced by a physical onslaught from the Right in July of that year. Into this game of musical chairs the Spanish working class were gradually drawn.

One of the chief reasons for the mass activity of the Spanish workers in this period was the crisis itself. In a country where there were no social security benefits, mass unemployment brought mass starvation. By December, 1931, for example, 70% of Barcelona's building workers were unemployed. A government made up of Republicans and Social Democrats could not solve the problems of Spanish agriculture. Indeed its solutions were no different from Primo de Rivera's. When a desperate, millenarian rising of destitute anarchist labourers took place in the tiny Andalusia village of Casas Viejas in 1933, the Government sent in troops to burn it to the ground and massacre the inhabitants.

Having thus demonstrated that they were no different from the Right, the Government resigned and with the working class abstaining at the polls, the Right, in the form of the Radical Party (led by Lerroux) took over once again. So began the period termed 'Bienio Negro' (the black two years). Before long the Right also showed how it had the same enemy as the Left - the working class. The so-called "Asturian revolution" gave the Right its chance to attack the class. The events in Asturias in October, 1934 have become a legend on the Left. But in no way can these events be described as a "revolutionary uprising" despite the fact that they involved thousands of militant and insurrectionary workers.

THE ASTURIAN RISING, OCTOBER 1934

The origin of the October, 1934 events is not to be found in the class struggle, but in the manoeuvrings of the Spanish bourgeois factions. The Left leader of the Spanish Socialist Party, Largo Caballero, who had for years sought to avoid "class confrontation" (to the point where he was Minister of

Labour under Primo de Rivera), realised that widespread cynicism about the proletarian nature of the PSOE was spreading amongst the working class. He thus now began to take up the language of the "class war" and sought to ally the PSOE with "other working class parties", blustering that if the CEDA (a quasi-fascist party), the largest party in the Cortes (Parliament), were allowed into the government then there would be an insurrection. The Right called his bluff. The general strike called by Caballero was a total flop and he allowed himself to be arrested immediately. This force became a tragedy when the miners of Asturias responded to the call for insurrection by the "Workers' Alliance" (a front comprising the Socialist Party, Communist Party, CNT and Trotskyists). After storming Oviedo the insurrectionaries were savagely crushed by the Foreign Legion led by Franco. The subsequent imprisonment of 40,000 workers and horrific murder of others has led these events to become part of the revolutionary mythology of Leftism. For example, the Trotskyists, Pierre Broue and Emile Temime declare in the Revolution and the Civil war in Spain that,

"the Asturias uprising became, in the minds of the Spanish workers, Anarchists as well as Socialists, an epic example, the first attempt by the workers to seize power through class organisations (the revolutionary committees) and to range their troops, the armed workers; in short, to set their own state against the state of the oligarchy." (page 63).

For this fantasy they can supply no evidence. In the first place, if the workers were making their own revolution why did they not articulate their own programme? What were the aims of the movement? No organisation emerged pointing the workers forward to a struggle against all factions of capitalism. Rather the aim of the movement was to support the attempt by one section of the bourgeoisie to prevent another section from exercising power.

Even the so-called "class organisations", the "revolutionary committees" which ran the struggle, were not a reflection of the mass action of workers but a local bureaucracy made up of appointees of the Left. No section of the class broke from the direction of this leadership but, on the contrary, followed it completely. In sum the goals of October, 1934 were neither communist nor revolutionary but "anti-fascist"; the fact that a large section of the class took up this cry made it a preparation for the more generalised anti-fascist struggle which lay ahead. In other words, it was the first step in the direction of class collaboration and not a high expression of the class struggle. The logic of this movement can only be fully explained when we look at the formation of the Popular Front.

After October, 1934 the Workers' Alliance was expanded to all Spain and, in accordance with the call of the Seventh Comintern

Congress, it took in not only the so-called workers' parties (Socialist, Communist, Syndicalist, Prouist), but also the parties of the industrial bourgeoisie themselves, the "Republican Union" and the "Republican Left". The CRT did not join the Popular Front in name but supported it by not calling for their customary abstention in February, 1936. With the formation and victory of the Popular Front the historic divisions of the Spanish bourgeoisie were most completely crystallised. On the one side stood industrial capital supporting a federalist reformist system. On the other, agricultural capital holding to its centralising tendency. For many Spanish workers the Left, with its promise of "democracy" seemed a preferable alternative but the time for working class support for bourgeois goals like "democracy" had long since ceased.

THE POPULAR FRONT, 1936

In the era of the ascendancy of capitalism, the period up to the First World War, workers did fight for "democracy" as a step on the long road towards communism which was then objectively impossible. However, in 1936 capitalism was in a decadent state, as it had been since the World War, and this meant that communism was now objectively possible. Consequently it was now possible and necessary for the working class to fight for its own class interests - that is, the destruction of the capitalist system and its replacement by communism. Anti-fascist war was a counter-revolutionary diversion which the working class had to be aware of. The only war possible in 1936 for the working class was class war against the bourgeoisie. Whether the Spanish bourgeoisie was to be headed by a Calles, an Azana or by a Franco was of no concern to the Spanish working class. If it kept its struggles on the terrain of its own class interests, its material conditions of existence, it would find itself eventually obliged to oppose directly the whole bourgeoisie. In this way, it would also come face to face with, and would have to attack, all the left groups of capital, e.g. the Trotskyists, Anarchists and Stalinists, etc. who also tried to prevent the working class from developing a revolutionary consciousness by urging it to fight for "democracy". We cannot emphasise too strongly that in the era of decadence a democratic capitalism can, no more than a monarchy or a fascist dictatorship, resolve the inner contradictions of capitalism and thus cannot permanently improve the working class' standard of living. Today, with capitalism still in crisis, some fear that in order for the capitalist system to continue it will have to become more and more authoritarian as happened in Italy in the 1920's and in Germany in the 1930's. Cries go out from some quarters on the Left that a 1970's type of fascism is on the agenda in countries where capitalism appears to be at its weakest, for example, Britain and Italy. Consequently, they argue that, as in 1936 in Spain, the class should fight for "democracy" against "fascism". But today the

situation is entirely different. Looking at fascism in its historical context, one sees that it came to power only in countries where the working class had recently been physically defeated. Today, however, the working class stands undefeated, ready to unleash the second revolutionary wave of the twentieth century. Fascism, then cannot be seen as being on the historical agenda. But even if it were we could not take up the cry of "anti-fascism"; instead we would have to take the line that the communists of the Thirties took. Fascism is only one aspect of capitalism and the "anti-fascist" struggle is therefore a deflection from the true goal of the working class which is the struggle against all capitalist factions.

The victory of the Popular Front in February, 1936 was thus the next stage of the defeat for the working class. Between February and July there was a state of undeclared war which did nothing to shake the hold of bourgeois ideology over the working class. Anarchist and Falangist (fascist) "pistoleros" assassinated each other in a fashion comparable to the present situation in Ulster, whilst Generals like Mola and Franco openly plotted a coup. Even in the strikes of this period independent class action was non-existent, dominated as they were by inter-union rivalry. For example, the largest strike, that of the Madrid building workers, dragged on because the UGT accepted arbitration and the CNT did not. The numerous gun battles between the unions were hardly an expression of any form of class consciousness.

THE ANARCHISTS AND THE WORKING CLASS IN THE CIVIL WAR

To the denizens of the various Leftist groups there is no doubt that the rising of July 18th, 1936 was a genuine class movement. For them the picture is simple. The spontaneous and overwhelming wave of workers forced the vacillating Popular Front to give them arms with which they were able to put down the fascist uprising in half of Spain. At the same time they tell us that the workers in Catalonia seized industry and agricultural land and instituted a regime of workers' self-management. Whilst the mass activity of Spanish workers in defence of the Popular Front is not denied, a more critical examination of the history of these events leads us to conclude that there was nothing revolutionary about them. In short, whilst the lessons of the Spanish Civil War are numerous, they are entirely negative.

To substantiate this we must first lay out our criteria of what is a revolutionary movement and then examine the facts in the light of them. In the first place it is not enough to define a class conscious movement solely in terms of the mass activity of workers. If this were so events like the English dockers' demonstrations in support of racialism would be part of the revolution's history. What distinguishes a class-conscious movement is obviously the political goals espoused by the class, and the nature of the organisations they lend their support to,

or which emerge from the class struggle.

Looking at July, 1936 we find that the so-called class movement took the form of a general strike called by the CNT and UGT on July 18th. No independent class activity manifested itself at the same time as this strike, for when the strike was called off five days later there was an automatic return to work. Similarly, it was not the working class that "seized arms" but it was an orderly distribution of arms to the CNT and UGT members by the Giral Government which occurred. Even the stirring tales of armed workers taking on the Armed Forces belong to Leftist reverie. In Barcelona, for example, arms were only distributed to the workers after some 4,000 loyal troops and Civil Guard units had defeated the insurgents (though a small number of workers did assist in this). Thus the workers remained loyal to capitalist organisations (their trade unions) and throughout most of Spain the aim was to support the Popular Front Government rather than to initiate any kind of revolution. Only in Catalonia was the defeat of the fascists linked to a self-declared attempt at revolution by the Anarchists. It is to the content of this movement that we now turn.

The influence of Anarchist ideology on the workers' movement in Spain was a significant cause of its inactivity in the Thirties. As with all lessons learnt by the class, the counter-revolutionary nature of Anarchism was learnt at great cost. The Spanish Civil War showed once and for all the complete and utter bankruptcy of Anarchism and it is significant that today there is hardly any Anarchist influence amongst the working class. But in the 1930's, Anarchist ideology and in particular its industrial form, anarcho-syndicalism, had a great influence amongst the Spanish working class. Why this was so in Spain and nowhere else in Europe is quite clear.

One can attribute this influence to two main factors - firstly, the economic character of Spain and secondly, and more importantly, the degeneration and demise of the Russian Revolution.

In the first place, the petty bourgeois character of Spanish industry and the existence of a large class of land-hungry peasantry, meant that Anarchist ideas of re-creating a medieval system of artisan guilds and a "reparto" (individualist redistribution of land) had a fertile breeding ground in Spain in the nineteenth century. On the other hand, what saved Anarchism in Spain in the 1920's (a period when the petty bourgeois character of the Spanish economy was beginning to be transformed) was the course of events elsewhere.

It is what happened in Russia from 1917 onwards that convinced many Spanish workers that Anarchism and not Marxism was the doctrine of the proletarian revolution. For them, the

degeneration of the Russian Revolution was caused primarily by the working class in Russia bringing to power a "so-called workers' party" which, within a short period of time, had shown itself to be like all political parties, in that once in power it suppressed the working class.

This led to many workers accepting the view that it was political power itself which was the cause of the degeneration and therefore that if the class had not taken power through its party the revolution would not have failed. Consequently, by the early 1930's Anarchism, with its denial in theory of all political power, maintained a firm hold over the Spanish working class. In practice, however, Anarchists in Spain soon showed how they too wanted political power. In November, 1936 the leaders of the Anarchist trade union, the CNT (National Confederation of Labour) Juan Peiro, Federica Montseny and Garcia Oliver rushed to join the bourgeois government of Largo Caballero. This acceptance of government posts was described in the CNT's daily paper, Solidaridad Obrera as,

"... the most transcendental day in the political history of our country." (Our emphasis)

It even goes on to say that,

"The government in this hour, as a regulating instrument of the organisms of the State, has ceased to be an oppressive force against the working class, just as the State no longer represents the organism which divides society into classes. And both will tend even less to oppress the people as a result of the intervention of the CNT (in the government)."

(Quoted in V. Richards Lessons of the Spanish Revolution p.69)

So, although they denied in theory the need for political power they nevertheless, quite willingly helped to organise a bourgeois political power while at the same time, doing nothing to help towards the formation of a proletarian political power. In addition, the total support for the Popular Front expressed by the Anarchists in their slogans that war and revolution were inseparable; their entry into the governments in Catalonia and Valencia, clearly places them directly in the camp of counter-revolution with all the other 'left' capitalist groups.

Anarchists, however, would not rest their defence of Anarchism as a revolutionary force on the political events but rather on the "economic revolution" which followed the July uprising of the Generals. But, as it states so clearly in the Bilan text below,

"...historic experience has shown that there can be no question of collectivisation, of workers' control, of

socialist revolution before the abolition of the political power of the bourgeoisie."

Leaving bourgeois power intact only means that the bourgeoisie are able to wait for a favourable opportunity to strike back. Companys and the Catalan Generalidad were quite willing to legalise the takeover of enterprises by the CNT until after May, 1937 when it could begin to transfer ownership back to the state and restore private property rights.

However, this is not the sum of our argument against the so-called "economic revolution" in Catalonia. An examination of the collectives themselves, in both rural and industrial settings, reveals a further important lesson of the events in Spain.- The philosophy of self-management is not only no part of the communist revolution; but it is also not a step towards communism. On the contrary, it is a petty bourgeois movement which attempts to disguise the exploitative relations of capitalist production. The collectives which were set up in Spain were all intended to be self-accounting and, according to the complaints in Anarchist newspapers quoted by the Anarchist historian Peirats, any surplus that was produced was consumed by the members of the collective and not given over to society as a whole. Consequently, collectives formed on rich land tended to stay rich, those on poor land remained poor. In the industrial sphere the "spontaneous economic revolution" was even more hollow. Here factories abandoned by Franco's supporters (but not those of Popular Front capitalists) were taken over by a joint UGT-CNT body in order to maintain capitalist production for the war effort. And even an Anarchist like Richards was forced to admit that,

"In some factories all the workers drew a fixed weekly wage, but in others the profits or income were shared out among the workers, an arrangement which is more equitable than that the factory owner should put them in his pocket, but which nevertheless was not compatible with the spirit of the revolution which was to do away with bosses and shareholders and not increase their number by a kind of collective capitalism." (Our emphasis)
(Lessons of the Spanish Revolution, p.107)

Nowhere has Marx's views of the petty bourgeois nature of Proudhonist economic theory and of the utopian outlook of Anarchist theories of the State, been more vindicated in practice than in Spain.(1)

(1) For a fuller exposition of our views on Anarchism in historical perspective, see Revolutionary Perspectives 3, "Anarchism".

MAY, 1937 - THE BEGINNING OF A REVOLUTION?

As we do not accept that any kind of "revolution" took place in Spain between July, 1936 and May, 1937 we therefore cannot see the street fighting in Barcelona in the same terms as the Trotskyists and Anarchists, i.e. as "the defence of the revolution". On the other hand, this does not mean that the events of May might not have been a belated recognition by the class of its own interests.

If, for example, a communist minority had emerged, calling for a war against both fascists and Popular Frontists, or if there was some evidence of workers refusing to accept the class collaborationism of the CNT and POUM, then we might be able to talk of a defeated revolution. Unfortunately there is no more evidence of any positive movement of the class in May, 1937 than in October, 1934 or July, 1936.

The May Days began as a bourgeois faction fight between the CNT and Stalinists over control of the Barcelona telephone exchange. After an attempt by the Stalinists (in the form of the police) to take control of the building, the CNT's local leaders called for a general strike. This was answered immediately by the working class who also threw up barricades in their areas of the city. We are thus presented with another example of frenetic class activity but again, we must ask, whose interests did this activity serve? Taking up the CNT's cry of "the revolution in danger", the working class in Barcelona was once again following the CNT. No evidence has yet been unearthed to show that there was the slightest questioning of the CNT or its support for the Popular Front. This explains why the workers answered the CNT-FAI call to lay down their arms and why the Valencia government was able to assume complete control of a city of a million workers with only 5,000 riot police.

Not even a tiny minority of workers supported the antics of the small groups of CNT, POUM, Friends of Durrutti and Trotskyist members who wished to carry on the fight. In case any of these are considered to represent some revolutionary aspirations of the Spanish workers then we should point out that according to the Trotskyist source, G. Munis in his book, Jalones de Derrota (p.305), all supported the Popular Front; all wanted a general strike which would not affect the war industries; and all called for defence of the "revolution" rather than start the revolution.

The subsequent proscription of the POUM and the ending of collectivisation in Catalonia have been used as evidence that the May events represented a victory for the forces of counter-revolution but, as we have already shown above, the POUM was not a proletarian party (despite a working class membership) and the collectives were not a step towards socialism but a

kind of "free market collectivism". What was achieved in May, 1937 was the defeat of one bourgeois faction by another which had different ideas on how best to organise capitalism. Once again the tragedy was that workers died in capitalist battles.

THE IMPERIALIST WAR

The victory of the Stalinists in Barcelona in May, 1937, by removing the revolutionary facade, revealed even to the Anarchists and Trotskyists that the "civil war" in Spain was really a war between the big imperialist powers. Had the tragedy of the Spanish proletariat's support for anti-fascism been a mere domestic issue then the war would have lasted only a few months. What transformed it into an inter-imperialist war which would last two and a half years was the critical nature of the capitalist crisis. Rearmament, and eventually open imperialist war were the inevitable outcome of the ailing European economy and Spain and Abyssinia proved to be valuable testing grounds for the imperialist powers.

Italian intervention took place in the light of Mussolini's "grandiose ambitions about reviving the Mediterranean Roman Empire". By February, 1937 Italian aid in men alone numbered some 50,000. Although the Italians shared in Franco's triumph they paid heavily for it, not only in terms of human lives and by abandoning a large amount of heavy equipment, but also by the considerable sums spent on the operation. By the end of the war Italian intervention had cost 14,000 million lire. Commercial relations were improved. In November, 1937 100,000 tons of iron arrived in Italy from Spain. This iron was particularly needed for the country's war industry. But on the strategic level, Italian hopes were dashed. Franco was opposed to the setting up of any Italian bases in Spain. Consequently, everything considered, Italy's expensive intervention brought little material or strategic reward for the country's bourgeoisie.

Germany's intervention in relation to Italy's was more moderate but still vital. In strategic terms, Hitler was interested in a Franco victory, in that it would give him a potential ally on France's southern frontier. Throughout the whole war German manpower in Spain never exceeded 10,000 although it must be added that a large part of the arms possessed by the Nationalists was German in origin. By the end of the war there was no doubt that Germany intended to be paid back but not necessarily in the form of money. For Germany, Spain's debts could only be repaid in the one way in which Hitler had been most interested - raw materials. From the outset, he had been interested in the mineral resources, copper, tungsten and bronze of Spain and Spanish Morocco. Before long, victories brought the Rio Tinto copper mines and the Asturian iron ore deposits under Nationalist control. Despite his initial reluctance to allow Germany the lion's share of the ore, Franco's material needs soon enabled Berlin to get what it wanted most of all - iron

ore for its rearmament programme.

Foreign intervention was not only confined to the Nationalist side. After an initial period of neutrality, Soviet capitalism soon found an interest in Spain. At the seventh world Congress of the Comintern in 1935, the policy of Popular Fronts was publicly expounded for the first time. By this "Communists" were urged, on the domestic front, to bring urban and rural petty bourgeoisie into a wide anti-fascist people's front and, on the international front, to try and get Britain and France into an anti-German alliance with the Soviet Union. In order to do this, the various sections of the Comintern were told to play down their "revolutionary past" and allay the suspicion with which they were once regarded. As a result, "Communists" throughout the world were soon declaring that the main task of the period was the defence of democracy against fascism.

Thus, in Spain the Communist Party soon took up its task of defending the "democratic" Republic. How successful it was in recruiting such "revolutionary" classes as the urban and rural petty bourgeoisie can be illustrated by the actual numerical increase in its membership. In early 1936 the C.P. numbered some 17,000. By the end of the year it numbered some 250,000. This increase was no doubt due to a great extent to the entry of thousands of middle class elements who found the C.P. an organisation which primarily could serve as a breakwater against the "revolutionary" excesses of the anarchists. In its propaganda the C.P. had shown how "proletarian" it was. For example, Mundo Obrero, the "Communist" organ in Madrid wrote,

"In a capitalist society, the small tradesmen and manufacturers constitute a class on the side of the democratic Republic, and it is as much opposed to the big capitalists and captains of powerful fascist enterprises as the workers. This being so, it is everybody's duty to respect the property of these small tradesmen and manufacturers."

Later on, it also declared that,

"We therefore strongly urge the members of our party and the militia in general, to demand, and if need be, to enforce respect for these middle class citizens, all of whom are workers and who therefore should not be molested. Their modest interests should not be injured by requisitions and demands that are beyond their meagre resources."

In the countryside too, the C.P. also showed its "revolutionary" side. It defended the small and medium proprietors and tenant farmers against the collectivising drive of the rural wage workers. For example, speaking at a public meeting of small farmers, Vicente Uribe, a member of the Central Committee of

the C.P. and Minister of Agriculture from late 1936, declared:

"We say that the property of the small farmer is sacred and that those who attack or attempt to attack this property must be regarded as enemies of the regime."

Such statements naturally attracted large numbers of the Spanish petty bourgeoisie. So, from the outset, the C.P. appeared before the distraught middle classes not only as a defender of property, but as a champion of the democratic Republic. As such it played the role directly assigned to it by Soviet state capitalism.

Had a real revolutionary situation existed in Spain, there is no doubt that the USSR would have acted, like any other capitalist power, to suppress it. As it was, Stalin told the Spanish Communist Party to wrest control from the Anarchists in order to present an "orderly and democratic" front for Britain and France to see. Stalin thus hoped to achieve his first aim of using the threat of German fascism and the enticement of Russian support for democracy to draw France and Britain into alliance with him. At the same time he sent vital aid to the Republic (in return for which he got the entire Spanish gold reserves) in the hope of prolonging the struggle so that Hitler would become so involved that he would be unable to carry his search for lebensraum in Eastern Europe very far.

In both he was disappointed. The effete bourgeoisies of Britain and France opted to turn their backs on reality in 1936-38, whilst the Republic began to show signs of collapse in late 1937. Stalin thus changed his course by cutting aid to Spain and seeking an alliance with Hitler in order to buy time. In this he was more successful - the Nazi-Soviet Pact was signed only four months after the collapse of the Spanish Republic, and on the eve of the Second World War. The Spanish dress rehearsal was over and imperialist barbarism on an even grander scale than that of 1914-1918 now engulfed the world.

APPEAL TO READERS

The C.W.O. wishes to open a political dialogue with readers who find themselves in sympathy with our political standpoint. We also invite those who find themselves in sympathy to take positive steps towards a practical demonstration of this. We have sections in Leeds, Tyne-side, Clydeside, Edinburgh and Aberdeen and regularly distribute leaflets on issues of importance to the international class struggle. (Further details from the group address!)

The Contemporary Communist View

an introduction to "The War in Spain"

Few people realised in the 1930's that the "anti-fascist" war in Spain between 1936 and 1939 was in no way a struggle for socialism. One of these was the group of revolutionaries based around the magazine Bilan, the organ of the Italian Left Communists in exile. We are republishing here an article from Bilan on the Spanish war (omitting their brief historical section) to commemorate its fortieth anniversary.

This article should be enough to arm all communists against the Leftist lies and mystifications which were put forward then and are still being put forward today in the 1970's. The lessons of the Spanish events, learnt not only by the Spanish but also by the world proletariat at great cost, constitute some of the class lines - "principles already elaborated in the fire of historic experience" - which are defended today by the small but increasing number of communists throughout the world. The value of this article, despite its weaknesses, lies in its clear and coherent expression of these lessons, so tragically learnt.

From the beginning, the problems faced by the Spanish proletariat in 1936 are clearly posed,

"We can only understand the events in Spain if we refer to the historic reality expressed on the one hand by the decadence of the capitalist system and, on the other hand, by the deep depression of the international workers' movement."

This recognition of the decadence of capitalism shows how the few tiny communist groups in the 1930's such as Bilan were well aware that capitalism had ended its progressive role on the historical stage and that the proletarian revolution was now possible. (1) From this recognition the Italian Left Communists drew conclusions which we today endorse. For example, they clearly understood that in the era of capitalist

(1) For our views on the ascendance and decadence of capitalism see "The Economic Foundations of Capitalist Decadence" in Revolutionary Perspectives 2.

decadence (i.e. since 1914), it makes no difference to the proletariat which section of the bourgeoisie rules, and that preferring the "lesser evil" of Popular Front capitalism to fascism only diverted the proletariat from its own revolution.

The deep depression of the international workers' movement, referred to above, is further explained later on when it is stated that;

"If an international criteria mean something, one must state that under the influence of the growth of the counter-revolution in the world arena, the political orientation in Spain from 1931 to 1936 could only follow a parallel direction and not the inverse course of a revolutionary development."

In other words, the defeat of the international revolutionary wave of 1917-21 meant a defeat for the world working class, whether or not the workers of a particular country were actually physically defeated. A defeat of the scope of 1921, in all its political and economic ramifications was so devastating that it raised even more obstacles to the emergence of revolutionary clarity. And even in those countries where class activity did take place (e.g. Spain 1930-36) it was successfully isolated ideologically and physically by the new forces at the disposal of the capitalist order.

In fact, though Bilan correctly points out that "no workers' power existed even for a day" it also over-estimates the class movement by assuming that there was a spontaneous mass rising after the coup by Franco. Neither Bilan nor anyone else have been able to find any evidence to support the existence of any class action independent of the unions in 1936. On the contrary, as we have shown in the previous article, we can only find evidence which undermines this historical myth.

What we do agree with is Bilan's view that;

"the revolution can only succeed as a product of a revolutionary situation on an international level, only on this basis can we explain the failures of the Paris Commune in 1871, and the Russian Commune in 1905 as well as the victory of the Russian proletariat in 1917." (added emphasis)

So, if the revolution was apparently impossible in Spain what were revolutionaries of that period meant to do? Were they to go to Spain where the action was? The Italian Left Communists rejected this emphatically and called instead for international solidarity with the Spanish working class, realising nevertheless that such class support was unlikely,

"The international action of each proletariat can only consist of decisive class struggle on the national terrain. This is why effective help for Spain resides solely in the world overthrow of capitalist relations."

The text then goes on to attack the view held so fervently by Leftists of all ilks, that there was a revolution in Spain in 1936. That this did not happen is clear for, as the text points out, the essential precondition for revolution, the smashing of the bourgeois state, was never carried out. We hope that this testimony of revolutionaries at the time serves to underline our own view, advanced in the previous article, that in no sense were the events in Spain a proletarian revolution.

Whilst positively enthusiastic about the main thrust of Bilan's arguments the article has, not surprisingly, given that it was written in January, 1937, certain weaknesses and ambiguities. First, let us refer to Bilan's statement that the democratic Republic "corrupted the weak communist cells, saved from the collapse of the Third International." Unfortunately, and confusingly, the Italian Left Communists do not go on to name them. It is left to the reader to guess who these "weak communist cells" were. Clearly it is not a reference to the POUM - the Workers' Party of Marxist Unification, since Bilan regarded these as part of the counter-revolutionary forces acting in Spain. Consequently, we are left to assume that it is possibly a reference to the Bolshevik-Leninist section of the Fourth International, the tiny orthodox Trotskyist group in Spain, whose slogan was "Long Live Unity of Action" between the FAI (the Iberian Anarchist Federation), the CNT, the POUM and themselves.

The Trotskyists could be regarded as formerly belonging to the Third International and had, in December, 1935, called for the foundation of "the class party" in similar terms to Bilan itself. (This was the issue with which the POUM had broken with Trotsky - the latter denouncing the POUM for joining the Popular Front.) However, the Trotskyists had not always been consistent in this and had first entered the Spanish Socialist Party and then in July, 1936 became supporters of the Popular Front (hence their slogan). For the CMO the Trotskyists never were a proletarian tendency in that they only split with the Stalinists long after the revolution in Russia was defeated. Trotskyism has thus always been simply a more radical version of state capitalism.

Next, we must criticise the Leninist idea expressed on the first page of the text that "one can only speak of a bourgeois revolution as a particular task of the proletariat where historic conditions have posed obstacles to the complete development of the bourgeois mode of production. This was the case with Russia where the first phase of the proletarian revolution from October, 1917 to the autumn of 1918 was concerned with the completion of the bourgeois revolution."

Lenin thought that as the Russian bourgeoisie was so weak, then the proletariat would have to finish off its job of creating a

capitalist economy. In fact this conception was common to the mechanistic "Marxism" of Kautsky, the Mensheviks and most of the social democrats of the Second International after 1895 or so. That this was a false conception is clear on a purely empirical basis when one considers that at the time of the Russian Revolution in October, 1917 the country was the fifth or sixth greatest industrial power. Was this a sign of the weakness of Russian capitalism?

When discussing Spain, however, Bilan redeem themselves by adopting a more dialectical approach. Taking its position on the basis of the world economy it makes it clear that "any cog in the bourgeois system of production" is forced to acquire "an essentially bourgeois character".

One other Leninist idea held by Bilan which we must reject is the concept of an alliance between workers and "poor peasants", Lenin's "Dictatorship of the Proletariat and Poor Peasantry". This concept came out of the specific Russian conditions which existed in 1917. In a country with a large percentage of peasants, Lenin felt that it was necessary to incorporate the "poor" peasants into the dictatorship of the proletariat in order to defend the revolution. It soon became evident, however, that the poor peasants were more interested in the division of land rather than communist collectivisation. Consequently, one of the lessons of the Russian events which Bilan does not seem to accept is that the poor peasantry can play no active role in the revolutionary transformation of society until it sheds its petty bourgeois ideas. Once it accepts the need for collectivisation it can then take part in the dictatorship, alongside the rural proletariat.

Finally, when Bilan considers the question of why the Spanish working class did not seize power when the opportunity seemed to present itself in July, 1936, we are given an unsatisfactory answer. Whilst we agree with Bilan that events in Spain prove the fundamental necessity for a party of the proletariat, we disagree on the manner of its emergence. It is pure formalism to suggest, as Bilan appears to do when talking of Russia, that the very existence of the party guarantees the success of the revolution. In Russia the Bolshevik Party was a proletarian instrument so long as the revolutionary wave was impelled forward by the mass activity of the proletariat. As soon as the Russian proletariat, after 3½ years of exhausting civil war, collapsed, so did the revolution and its party. The Bolshevik Party in form was still the same but in substance, by remaining in power after the defeat of the proletariat, it could only become an instrument of counter-revolution. (1)

(1) See "Russia: Revolution and Counter-revolution, 1917-23" in Revolutionary Perspectives no. 4 for a fuller explanation of the demise of the Russian Revolution.

This formalistic attitude towards the role of the party is partly due to Bilan's apparent failure to see the party as an expression, however indirect, of the development of working class consciousness. Here, though, the text is contradictory. At the beginning it says that the party is in existence before proletarian class consciousness has developed, whilst towards the end the proletariat is seen as "forming its own organs of struggle; its own party" with the development of revolutionary consciousness. (1)

The shortcomings of "The War in Spain" are but slight when weighed against its positive contribution to the understanding of the lessons of proletarian history; a contribution which is all the more remarkable when it is remembered that the Spanish War was only six months old when it was written.

(1) See "Proletarian Organisation in the Communist Revolution" in Revolutionary Perspectives no.4 for our complete views on party and class.

The War in Spain

I - THE TERMS OF THE PROBLEM

We can only understand the events in Spain if we refer to the historic reality expressed on the one hand by the decadence of the capitalist system and, on the other, by the deep depression of the international workers' movement. Let us quickly look at these problems.

Concerning Spain, there is a lot of talk about the "bourgeois revolution" which forgets that this is an anachronistic notion, swept aside by the evolution of capitalism and refers to an epoch of history now well and truly completed. The bourgeois revolutions which took place from the middle of the 17th century and over the next two centuries, expressed the birth of a new society germinating in the womb of feudalism.

In contrast, in the epoch of imperialist decadence, the bourgeois revolution loses its historic significance as the objective conditions for the disappearance of capitalism arise. One can only speak of a bourgeois revolution as a particular task of the proletariat where historic conditions have posed obstacles to the complete development of the bourgeois mode of production. This was the case with Russia where the first phase of the proletarian revolution from October 1917 to the autumn of 1918 was concerned with the completion of the bourgeois revolution. This would equally be the case for Spain. To pose the bourgeois revolution as a task of the Spanish bourgeoisie is as absurd as claiming that their coming to power dates from the proclamation of the Republic in April, 1931. It is an irony of history that the bourgeoisie of Spain has never managed to achieve its socio-economic mission even though it is one of the oldest bourgeoisies in Europe: it was one of the most active agents in the process of primitive accumulation, and long before other nations (from the 13th century onwards) it was able to support a primitive form of parliament: the Cortes.

But it was precisely its premature power which made Spain the backward country that it is today. Exploiting to the full its colonial wealth, drunk with its own dizzy ascent, it proved incapable of adapting to the transformations which were taking place in the economic and social structure of Europe in the 16th and 17th centuries, until the period when these too became decadent.

While modern "nations" (the bases of capitalism) were constituted in England, France and Holland, under the thrust of state centralism, Spain never managed to overcome the disintegrating tendencies of separatism, remaining economically stagnant. Spanish autonomism, which is indeed more a product of history than of geography, instead of dissolving into the

"Nation", as was the case in France in particular, found a new lease of life in the parasitism of the ruling classes who corrupted the whole social organism and paralysed the activities and the initiative of the bourgeoisie of the towns and made them turn in on themselves. It is this which allows a separatist spirit to be predominant even today and which will complicate in a most singular way the tasks of the proletarian revolution, all the more so because the currents acting within the working class, far from standing for the necessity for a centralised struggle against capitalism, actively serve to keep these autonomist tendencies alive.(1)

Spanish society, in its incomplete form, half feudal, half bourgeois, has nevertheless become a cog in the bourgeois system of production, and has thus acquired an essentially bourgeois character. World capitalism itself is based on an amalgam of parasitic classes formed out of a specifically bourgeois minority, flanked by the "embourgeoisified" feudalists, landowning nobles and clerical bodies, in order to corner the national resources through a ferocious exploitation of the workers and peasants. Up till now the instrument of this exploitation has been, owing to the lack of a state apparatus strongly centralised in the service of a politically powerful bourgeoisie, a bureaucratic-military monarchy living on the slow decomposition of the ruling classes, while continuing to safeguard their existence: a social relationship analagous to that which existed in Russia under Tsarism. However, Spanish capitalism has for a long time been suffering from an endemic state of deep social crisis which has periodically shaken it to its roots and is the bitter fruit of its heterogeneous composition, of the hybrid nature of its economic and political structure. But this crisis has never been the result of a clash between feudalism and the new forces of a revolutionary bourgeoisie; it has taken place within the ruling classes, through struggles between minorities disputing for power and privilege, struggles in which the proletariat could not intervene as an independent political force. The axis of struggle shifted every time the industrial and agrarian proletariat gained more specific weight in the national economy. We know that the neutrality of Spain (i.e. in the 1st World War - CWO) had favoured a certain economic development, to which a massive infusion of foreign capital in mineral and industrial production has equally contributed. But this ephemeral and always relative prosperity had only just got off the ground in Spain when the world economic crisis once again brutally exposed the reality of the irreversible decadence of capitalism (already revealed by the imperialist war).

(1) The POUM (*Revolution Espagnole*, 21st October 1936), commenting on the statute of autonomy for the Basque country voted by the Cortes on October 1st, considered that this was "a moment in the struggle against fascism and for a new society."

In a historic climate which excluded a new expansion of the productive forces under their capitalist form, there is no question of the Spanish bourgeoisie achieving the industrial revolution that it had been incapable of realising before. Far from being able to imagine joining "its" proletariat to a utopian prosperity (they didn't imagine that), it has on the contrary, the task of enslaving it totally and even making a large blood sacrifice if it wants to safeguard its domination. In sum, it has to resolve the problem which is posed for the world bourgeoisie, while disposing of the much more restrained means of, for example, the democratic capitalist states. If, from 1931 to 1936, it failed in its attempt to play the "democratic" hand, it was because of its "congenital" weakness and not because class relationships made it difficult. Indeed, the democratic republic, far from having favoured the ideological and political development of the proletariat, and consequently the construction of its class party, contributed to the reinforcement of the counter-revolutionary forces acting in the socialist, stalinist, anarcho-syndicalist masses, while corrupting the weak communist cells saved from the collapse of the 3rd International.

One is seeing in Spain, in a compact form, what had been produced in the other capitalist countries in the era of "democratic" renewal following the imperialist war.

If an internationalist criteria means something, one must state that, under the influence of a growth of the counter-revolution in the world arena, the political orientation in Spain, from 1931 to 1936 could only follow a parallel direction and not the inverse course of a revolutionary development. We must keep this in mind if we are to draw the positive lessons from the events in Spain since July 1936. Besides, we take as our starting point the opinion that a national proletarian struggle can only flourish and achieve its final aims, and transferring by repercussion the international situation, insofar as this latter already contains factors of revolutionary maturity. Considering the problem from another side, this means that, within the international framework, the revolution can only succeed as a product of a revolutionary situation on an international level. It is only on this base that we can explain the failures of the Paris Commune and the Russian Commune in 1905, as well as the victory of the Russian proletariat in 1917.

It is incontestable that the specific evolution of Spanish capitalism has been favourable to the development of powerful objective factors for revolution: in the first place, there is a bourgeoisie deprived of a solidly constituted central power, weakly organised and whose field of political manoeuvrings were strictly limited; secondly, a very developed maturation of social contradictions expressing the economic poverty of Spain; thirdly, the combative capacity of the proletarians and peasants steeped in the fire of the sporadic battles which their miserable existence throws them into.

It is nevertheless true that the Spanish proletariat is plunged into this tragic situation in which, while being opposed to a "weak link" of world capitalism, it struggles in the worst conditions because it is deprived of the instruments of its emancipation: the class party and the revolutionary programme. If any doubt still exists of the fundamental role of the party in the revolution, the Spanish experience, since July 1936, would have been sufficient to sweep it away. Even if we equate the attack of Franco with the adventure of Kornilov in August 1917 (which is false historically and politically), the contrast remains striking between the evolution of the two situations. The one, in Spain, determining a progression of class collaboration towards the sacred union of all political forces; the other, in Russia, being directed towards an elevation of class struggles resulting in a victorious insurrection, under the vigilant control of the Bolshevik party soaked in fifteen years of struggles by criticism and by armed struggles.

It would take a miracle for the Spanish proletariat to be able to make "its own" class path. But we know that social "miracles" are not consistent with materialist dialectics.

III - ANTI-FASCIST WAR OR CLASS WAR?

Comrade Hennault, at the end of his report, considers that proletarian politics must be based on that which is, for example, on the fact that the Spanish workers, in July 1936, let the power which they had in their grasp escape them, it appears. But a Marxist analysis can clearly not be satisfied with a list of facts. From this must be extricated the real nature and causes in order to draw positive conclusions from the experiences of the class struggle. This isn't to depreciate the combative capacity shown by the Spanish proletariat, but only to discover why, in spite of its heroism and its powerful class instinct, it did not achieve that revolutionary consciousness which would have allowed it to go beyond its initial victory over Franco by sweeping aside the whole capitalist class, and for us to denounce the forces and policies that have been a barrier to the workers' route to power.

To build a proletarian politics on the reality of the facts is necessary, but it is only valuable in as much as they are not misrepresented, that is, in as much as they are evaluated exactly as a function of the class relations which they express, relations which must be assessed internationally as well as nationally. Moreover, these politics in order not to sink into vulgar empiricism, must absolutely draw inspiration from principles already elaborated in the fire of historic experiences, such as the criteria of the Party and the State.

For, on the basis of that which is, if we look only at the exterior aspect of the events which happened in the first weeks after the 19th July, it would be possible to describe them as being a proletarian revolution in progress. But the political premises of this movement contradict such a hypothesis.

It is true that people in the POUM replied to that with:

"The workers defeated fascism and were fighting for socialism." (Min, 6th September 1936)

Or even that:

"it is necessary to make the proletarian revolution."
"In Catalonia the dictatorship of the proletariat already exists." (Min)

Or still:

"We were part of a profound social revolution in Spain; our revolution was more deep than that which swept through Russia in 1917."

About the idea of the party, they add:

"The dictatorship of the proletariat cannot be exercised by only one sector of the proletariat, but by all the sectors, without any exception. Any workers' party, any central union hasn't the right to exercise any dictatorship." !

Such was the "revolutionary" conception of those who prided themselves on being the vanguard of the Spanish proletariat.

We already know the opposite thesis, from the socialist and stalinist camp, from the defenders of "the republican order in respect of property", of the "democratic and free Spain", that it is not a question of a collision between the two basic classes of capitalist society, bourgeoisie and proletariat, but a struggle between fascism and democracy.

Truly, the evolution of events later on demonstrated that the differentiation of conceptions expressed by these diverse currents were purely verbal, since they were both based in reality on the sacred union against fascism.

Here is posed a second question. How did this sacred union become possible? Must it be explained only by the activity of currents acting within the proletariat who directed the anti-fascist struggle in a counter-revolutionary way? Or rather, must one discover its roots in the initial phase of transformation of the proletarian struggle into that same anti-fascist struggle? A third question can be attached to the one before: Is the anti-fascist unilateral war the expression of the will of the workers or the product of a political manoeuvre by the democratic bourgeoisie?

Let us immediately point this out: On the one hand Franco's attack did not represent a military coup d'etat, (a description which can be given to the previous series of pronunciamientos) but it was incontestably a question of an attack by Spanish

capitalism as a whole, which follows from the analysis already given, while, moreover, the "conspiracy" was organised with the tacit complicity of the Republic of the Popular Front. On the other hand, the workers' response was absolutely spontaneous and irresistible, to the point that it succeeded in sweeping aside the passivity of the "workers" tendencies and the veiled hostility of the "republican" bourgeoisie, of whom Zamora (the President of the Second Republic 1931-36 -CWO) much later, could say that it would not at all have imagined resisting Franco if it had not been pushed by the masses. It is quite clear how the capitalists can adapt to a situation dominated by the initiative and impulse of the workers. Doesn't history abound with examples illustrating the political flexibility of the bourgeoisie and its capacity to make compromises, provided that at its base, if not in its forms, its state, the condition of its political and economic power is safeguarded? That is the problem and we return to it in the following chapter. What must hold our attention in the circumstances is not the contingent aspects of the struggle, but the change in content of that struggle, when the proletariat, mistaken about the political valour of the bourgeois Republicans in Madrid and Barcelona, withheld from attacking them as they did Franco, and thus remained mystified about the meaning of its first success.

The facts speak clearly in this respect. It was precisely after the 19th July that the proletariat (we mean especially that of Barcelona) by joining its armed struggle with the general strike (the first was a condition of the second) succeeded in advancing the furthest on the revolutionary road, acquiring the highest political consciousness compatible with its ideological immaturity, carrying the social struggle to its highest point. Here Comrade Hennault clearly contradicts reality when he maintains that the "economic general strike is impossible under the threat of gunfire", although, on the contrary, it contributed to the defeat of Franco and lasted for more than a week and it wasn't the workers who "consciously" brought it to an end, but the organisations which dominated them: the CNT, the UGT, the POUM. For a Marxist it can never be a question of abstractly opposing the general strike to the insurrection, as comrade Hennault does, but rather to link the first to the second, to situate the two struggles within the overall battle against capitalism. This is what began to happen right away in Spain, and above all in Catalonia. The general strike immediately took on a political and insurrectionary character while the workers were putting forward their demands: the 36 hour week, wage increases, the tentative moves towards the expropriation of factories, without, however, in the absence of the class party - grasping the necessity for the destruction of the bourgeois state. But this understanding could have been reached subsequently, in the course of the process of the formation of a party, if the workers had kept their struggle on the terrain of their own class interests, their material conditions, the only basis which could allow them to directly oppose the whole capitalist class.

Quite the opposite occurred, as a result of the historic conditions of the Spanish proletariat, of the insoluble contradiction in which it found itself, the Spanish workers were confronted with the problem of power without being in possession of the revolutionary programme. Very quickly the initial class strike was transformed into a war which set worker against worker and peasant against peasant, under the exclusive control of the bourgeoisie, of Franco and Azana, whose power was dissipated but not destroyed.⁽¹⁾ Since this power remained intact, the Catalan Generalidad in particular was perfectly happy to legalise the actions of the workers on the economic front, and to make a song and dance with all the so-called "workers" tendencies, who were all indistinguishably spreading illusions among the workers about expropriations, workers' control, the division of the estates, and the purges in the army, police, etc., but kept up a criminal silence as to the terribly effective, if not apparent, reality of the existence of the bourgeois state. It is thus vital to be able to see the real significance of the opening events, which are so important because we consider that their political content was the determining factor in the ultimate evolution of the situation.

The workers' militias, spontaneous expressions of social upheaval, were very quickly put under the control of the Central Committee of Militias, a political amalgam dominated by capitalist tendencies, since the bourgeois socialist and Stalinist parties had a majority of delegates. But the decisive factor, to which we shall be returning, that which fundamentally overturned the whole situation, was the shifting of the axis of the proletarian struggle. The anti-fascist objective was substituted for the objectives of the class. The natural demands of the workers were subordinated to the "necessities" of the victory over Franco. The military front took the place of the class front. The orientation of events was thus shifted 180 degrees, not because the capitalist forces took back command, but because they changed the substance of the struggle.

Comrade Hennault will deny that the war on the fronts has extinguished the class struggle; the proof to the contrary he finds in the workers' possession and administration of the factories in Barcelona. Here it seems comrade Hennault has allowed himself to be led astray by the exterior aspects of the workers' actions without taking into consideration their political significance and without relating them to the real relation of classes, which is the only Marxist way of looking

⁽¹⁾ We mention here the fantasies of the Union Communiste of Paris which considers that the anti-fascist war is a class war in which two class armies are taking part, the one of Franco consisting of officers, Falangists, Carlists, - all bourgeois and petty bourgeois elements plus Moroccan mercenaries; the other, Republican army being composed of workers' militias and having a proletarian character.

at the question. Comrade Hennault has also not taken into account a whole series of closely connected events which prove that the military struggle against Franco could not be an expression of the "will" of the workers, even though it took place with their "consent" (But what is this consent worth in the absence of the party of the class?), but from capitalist manoeuvres to strangle the proletarian revolution.

Already around July 24th the UGT and the CNT (the POUM was waiting to see what would happen) were able to intervene in order to drive back the wage struggle, all the more easily since the Generalidad under Companys, just as it had legalised the militias and their Central Committee, took the bull by the horns and decreed the 40 hour week, a 15% wage increase, guaranteed full wages to workers in areas, and so established a certain social equilibrium which took the form of a return to "order" in the streets. The CNT, the largest organisation in Barcelona, could then advocate the return to work in the food factories, in public services and those industries which could "support" the anti-fascist struggle. Two days later, the POUM did the same to ensure, it said, the production of bombs, armour plate, etc! It was not a matter of chance that at the same time the proletarian objectives were obscured and the workers were drawn away from the vital centres of capitalism, Barcelona, Teruel, Zaragossa, Guadarama, in order to destroy the "last fascist lairs", then stuck on the military fronts, and plunged into the asphyxiating atmosphere of the war, which dissipated the last scraps of consciousness which still existed. With the complete extinction of the general strike, towards the 28th July, the proletarian danger was completely removed, bourgeois domination was made safe and that is why the workers could be left with their illusions of economic power, since that was only to be exercised for the needs of the anti-fascist war and not as a support to the conquest of political power. In our opinion, comrade Hennault's thesis is basically unsound because it does not contain a fundamental critique of the imperialist war in itself. For us, that in itself, by virtue of its capitalist nature, expresses the defeat of the proletariat. For comrade Hennault it is because the war is led by "peace-makers" that it is being lost. This is the essential divergence. And here the greatest clarity is essential.

Comrade Hennault starts by pushing aside the thesis of the pure and simple struggle against fascism:

"a real struggle against fascism can only be led by the proletariat struggling for socialism."

But to pose the question of socialism is to pose the question of the conquest of power and the destruction of the capitalist state and then it is no longer a question of dissociating g fascism from capitalism. The class struggle is identified totally with the revolutionary struggle for the overthrow of capitalism. It develops clearly against the whole bourgeois class, against Franco as against Azana and Companys. But it

cannot develop on two divergent planes, it cannot proceed at one time on the military front and another on a class front, because the first fuses the classes (and it can never be otherwise) while the second puts the classes in irreducible opposition. For comrade Hennault, "the struggle against the peacemakers" is not opposed to the struggle against fascism; it rather becomes one with it. The front of the peacemakers is a front which unites for a time with the consent of the working class - and this is very important - several classes.

Thus comrade Hennault, although admitting that the anti-fascist struggle is carried out under the regime of class collaboration and for the defence of capitalist interests, refuses nevertheless to recognise its imperialist content and continues to affirm that "the military struggle against Franco was a matter of life and death for the Spanish proletariat." What follows from that, whether he wishes it or not, is a position of "national defence" comparable to that taken in 1914 by the French and Belgian socialists defending "democratic liberties" against "Prussian militarism". Prudently, he says that the fact of having put military defence in first place "slowed down the social differentiation in the anti-fascist camp" and this had the effect of "rivetting the Spanish proletariat again to the defence of the capitalist system, thanks to the Sacred Union government." But it is false also to state that the military defeats slowed down the revolutionary struggle when on the contrary, the facts demonstrate that the class war had been smothered by the anti-fascist war. Even "victorious", the anti-fascist struggle must represent a proletarian defeat, just as the victory over German militarism in 1918 reaffirmed the domination of the "democratic" bourgeoisies.

One could consider that in its outward appearance the war in Spain isn't absolutely comparable to the imperialist war, since the latter puts antagonistic bourgeois clans into direct opposition with each other, while the former puts the bourgeoisie in opposition to the proletariat, not under the aspect of democracy against fascism, but of a struggle where the proletariat played no independent role, where it is massacred for the profit of the same bourgeoisie who plays on two sides: the fascist front and the anti-fascist front; in sum, under the aspect of a "class war" where the proletariat is absent in so far as existing as a class conscious of its interests and aims. It is this which leads us back to the fundamental characteristics of the imperialist war. Spain apart, can we not see the ever stronger appearance of a thick broth of imperialist tensions that global capitalism can still contain, but which tomorrow can set alight a general conflict?

Today, faced with the evidence of the facts, comrade Hennault appears to be moving towards "defeatism" vis-a-vis the military struggle in Spain, then we demand that he also admits that anti-fascism had to lead to the present impasse.

IV - CAPITALIST STATE OR PROLETARIAN STATE?

The outward appearance of events that took place after 19th July (especially in Catalonia) has strikingly relegated to the background the two central conceptions of Marxism: the state and the party. Whereas the revolution of October 1917 was a splendid illustration of these questions, since it involved the destruction of the capitalist state and the replacement of the power of the bourgeoisie by that of the proletariat expressed through its party.

As far as Spain is concerned, we have heard a great deal of babbling about the proletarian revolution being in progress, about dual power, about the "effective" power of the workers, the "socialist" management and the "collectivisation" of the factories and of the land, but at no point has the basic problem, that of the state and of the party, been posed in Marxist terms. On the contrary, we have witnessed the triumph of ambiguity which is the expression of the confusion of the ideologies of those who claim to be the leaders of the revolution, the CNT and the POUM.

It is true that the objective factors for revolution, which we discussed above - the political weakness of the bourgeoisie, the dynamism of the masses based upon powerful social contradictions, linked actively in an extreme situation - did for a while obscure the real picture; but these same factors have, on the other hand, revealed their negative side in the absence of the subjective factor: the party, which alone is capable, when supported by the masses, of relating the objective factors to the realisation of the revolutionary programme, of concretely posing the problem of the complete destruction of the bourgeois state apparatus, which is the pre-condition for the social revolution. Instead this problem has been replaced by one of the destruction of the "fascist bands", while the bourgeois state is left standing whilst posing as a "proletarian" body. And so we witness the criminal ambiguity of the partial destruction of the state and of the existence of a "real workers' power", juxtaposed with the "facade" of bourgeois power, which is concentrated in Catalonia in two "proletarian" organs: the Central Committee of anti-fascist militias and the Council of the Economy. At the same time as the babblers recognise one effective power, that of the workers, they speak of dual power, without being concerned about the gross contradiction contained in such formulations, since dual power means co-existence, a temporary equilibrium between two real powers. Dual power must always end up in the unity of power, to the exclusive profit of either the bourgeoisie or the proletariat.

We know that the reality is quite different and expresses neither the sole power of the workers, nor even dual power, because at no time has the power of the bourgeoisie been challenged by the programme of the proletarian revolution and the political substance of power has remained bourgeois at all times. That is the heart of the question. Dual power sets

face to face governmental organisms radically opposed in their substance, their programme and their class policies. The first and only experience of dual power was that which occurred in the Russian revolution from February to October 1917. But still Lenin always pointed out that during this period the proletarian power, even though it was based on the soviets, on powerful mass organisations, was only an embryonic power which only had effective existence to the extent that the soviets exercised power; which for Lenin meant to the extent that the party of the class strengthened its influence within the soviets, to the extent to which the communists, armed with the programme of the revolution, were liberating the workers from bourgeois ideology and directing the initiative of the masses. And Lenin added that the bourgeois power existed all the more effectively in that it "based itself on an agreement direct and indirect, formal and real with the soviets" and that it did this because of the proletariat's lack of consciousness. But the growing class struggle and the strengthening of the Bolshevik party reversed this balance of forces and gave birth to the October insurrection.

In Spain after 19th July 1936, there was no trace of any mass organisation which could play the part of the soviets, nor any conflict between two class politics out of which a Spanish "October" could come. There existed no embryonic proletarian power, because it did not even have time to arise out of the initial effervescence.

"And what about the anti-fascist militias?" we are asked. "Or the Council of the Economy?" If the militias appeared at first to be a spontaneous creation of the masses against Franco, these masses unfortunately never had the chance of making these organisations into embryonic forms of proletarian power and powerful instruments of civil class war. They and their militias were immediately emasculated by the "workers" parties and placed under the direction of the famous Committee of Militias which, by stamping a party character on the militias deprived them of any possibility of becoming unitary organisms and consequently dug the grave of the proletarian revolution. According to what even the POUM said, the composition of the committee excluded any proletarian preponderance. But in addition to this, any real penetration of the militias by communist tendencies was excluded by the dispersion of the proletariat on the front and by the direction of the energies of the workers against the fascist menace. The threat to bourgeois power which had existed for a few days rapidly disappeared and the latter only had to adapt itself to the situation at hand which could only evolve in a direction favourable to it, since with the creation of the Central Committee of Militias and the Council of the Economy - organisations grafted onto the capitalist state - the basis was laid for the Sacred Union which was to preside over the massacre of the workers. The essential cogs of the State remained intact:

The army: (This was not so important) took different forms - it fused with the militia - but it retained its bourgeois content by defending capitalist interests in the anti-fascist war.(1)

The police: in the form of assault guards and civil guards, was not dispersed but only hid itself for a while (in the barracks) in order to return at a more opportune moment.

The bureaucracy of the central power continued to function and it extended its influence to within the Committee of Militias and the Council of Economy, in which it never became the executive, but in which it was the main inspiration behind directives conforming to capitalist interests.

Concerning the economic policies developed by these organisms in conjunction with the government of the Generalidad, L'Information in Paris could say, from the beginning of August 1936, that it did not break out of a capitalist context. The decrees on collectivisation - which were issued at the end of October - in spite of their radical phraseology, could not express a "socialist" movement after August, since the balance of class forces was evolving not towards the proletarian revolution, but towards the reinforcement of bourgeois domination. The social meaning of the measures of collectivisation can be clearly gauged by the content of the pacts concluded on October 22nd (the decrees came out on the 24th) between the anarchists and the Socialist-Stalinist bloc (to the exclusion of the POUM) in which it was a question of the collectivisation of everything necessary for the needs of war.

Moreover, historic experience has shown us that there can be no question of collectivisation, of workers' control, of socialist revolution, before the abolition of the political power of the bourgeoisie. In his report comrade Hennault has reversed this lesson, and we can only say that the method he adopts invalidates his analysis.

He begins by affirming the breadth of the "socialist revolution", on the basis of the decrees on collectivisation which we have just discussed, and which, for him, mark a profound transformation in the relation of classes and in the regime of private property (from October 1936). But in the following chapter, when he launches into the political aspect of the problem, he has to admit that, since the conquest of power has not been seriously posed by a workers' party, there is no socialist revolution going on in Spain. For Hennault, as for us, it is clear that the bourgeois state has not been destroyed and that it has merely had recourse to more flexible methods of

(1) Although two thirds of the Army went over to the Nationalists, the remaining third, almost all the Air Force (214 out of 277 aircraft) and all but 3 ships of the Navy, remained in Republican hands and were completely loyal to the Popular Front rather than the working class. -C.W.O.

domination. For Hennault also, organs of proletarian power, unitary organs in which the masses can develop their political consciousness, have not been created, even in an embryonic form. But for us no workers' power existed even for a day (and this is not the opinion of comrade Hennault), because the two things which must comprise this were absent: the organs and the proletarian consciousness which animates them, things which cannot arise spontaneously, but only through a process of political clarification.

As for the collectivisation measures, comrade Hennault, after having lauded them far too much in our opinion, confesses that they correspond to a political manoeuvre of the bourgeoisie and are imposed by necessity, and thus have no value in themselves:

"What does it matter to the proletariat if the governments of Caballero and Companys ratify all the expropriations realised by the proletariat, if they lead the proletarian revolution to defeat, if they carry out the war in such a way as to lead to the victory of fascism."

That is also our opinion, but with this difference - that the anti-fascist war entirely serves capitalist interests and is at the origin of the proletarian defeat we have just witnessed.

V - THE SACRED UNION

As we said, immediately after 19th July the Spanish workers saw the road to revolution barred. The energy of the insurrectionary movement was diverted into the anti-fascist struggle. This conversion was manifested in a number of situations. The workers' agitation was once again given an orientation towards capitalism, and the proof of this was the inability of the workers to create their own mass organs through which a revolutionary party could arise. Comrade Hennault sees this quite clearly but he does not draw the political conclusions from it, or rather he does not relate it to a reversal of the balance of class forces. For him, the anti-fascist struggle does not turn the workers away from the revolution, but constitutes a necessary phase within the revolutionary struggle as a whole. For us there is a complete incompatibility between the two struggles. The anti-fascist war expresses on the one hand the needs of capital to maintain its domination, and on the other hand the absence of a revolutionary party. The anti-fascist war is a defeat for the proletariat right from the start. In class terms it has the same status as an imperialist war, and like the latter it also engenders the Sacred Union between classes, which comrade Hennault notes but does not try to explain. The anti-fascist war in Spain cannot be capitalist and proletarian at the same time. It could only change its nature if it took place under the leadership of the proletariat organised as the ruling class, as a moment in the civil war, as happened in Russia after October 1917. To rally the proletariat to such a war before the seizure of power is to

take up a position of national defence of the kind Lenin denounced when he rejected the formation of a bloc with the Social Revolutionaries in order to fight against Kornilov in August 1917. In Spain the proletariat must refuse to fight Franco under the capitalist banner of anti-fascism and must instead direct its struggle against the whole Spanish bourgeoisie, from Companys and Giral to Franco. The road to proletarian insurrection does not pass through the gate of a militarist war but only through that of the civil war.

We have already noted that in Catalonia the Sacred Union found its organic expression in the constitution of the Central Committee of Militias and the Council of the Economy, at the very time when these were being presented as organs of proletarian power, as the expression of the proletarian dictatorship (POUM). In Madrid the leadership of these capitalist forces, we saw the anti-fascist war, capitalist by nature, take on more and more all the forms of modern warfare, a process which paralleled the growth of class collaboration. Are these not phenomena already known to us from the first imperialist war?

In the beginning, revolutionary verbiage was at its height, especially in Catalonia where the POUM and CNT were dominant. But the myth of the anti-fascist war quickly drowned any class preoccupations under the impulse of these same tendencies. In Madrid, on the strength of Giral, the Stalinists became the forces of order. In Barcelona, Companys said of the CNT that:

"it has assumed the role abandoned by the rebellious army of controlling and protecting society and has become an instrument in the hands of the democratic government."

The "expropriations" carried out by the workers were integrated into the context of a state capitalist reorganisation which remained under bourgeois control "for the needs of war" with the approval of the union organisations and the so-called "organs of proletarian power". Parallel to this, the workers were being progressively disarmed outside the military front and the whole of social life was undergoing a process of militarisation. At the end of August 1936 L'Information of Paris could assert with satisfaction that in Madrid and Barcelona,

"the proper authorities are making "diplomatic" efforts to ensure the disarming of the workers not enrolled in the anti-fascist militias and the militarisation of the latter."

The Central Committee of the Militias co-operated in these efforts and the military defeats which were to follow had the effect of stimulating and accelerating the process of social, ideological and material disarmament.

The Badajoz massacre, followed by the surrender of Irun and the march upon Toledo and Madrid, determined that there would be a conversion to the "left" with the establishment of the Caballero government which was greeted as "progressive" by the anarchists and POUMists. Its programme was summed up in the organisation of the Militia, the reinforcement of civil and military discipline and "respect" for the republican law. To support it the CNT proposed the formation of a National Council for Defence to which it would send "technical" delegates, just the same as the creation of war militias with a military direction solely under the control of a Commissariat for War. In Catalonia, the Generalidad annexed the famous Committee of Militias to the service of the Ministry of Defence, out of anxiety to maintain an appearance of authority vis-a-vis "international opinion".

The POUM said that Companys' "facade" government would only thus cover up better the real power of the workers. There was no more criminal way they could obscure the historical reality, but the "vanguardists" did not stop there. Some days later the holy government union was overtly realised; it was entitled the "Council" of the Generalidad to soothe the touchy feelings of the anarchists. CNT, POUM, UGT, Stalinists, Socialists and the Catalanian bourgeoisie would unite their efforts to the cause of anti-fascism. The anarchists, who had already been converted to "centralism", became "authoritarians" convinced that:

"The Revolution makes exactions ... duality of powers cannot persist ... we must occupy the place which corresponds to our strength."

This did not prevent them from only having three delegates out of twelve while claiming to represent the majority of the Catalanian proletariat. The POUM said it was a matter of being a "transition stage", although before they had spoken of the dictatorship of the proletariat under the protection of all the "workers" parties.

The government programme was dominated by the problems posed by the war. It would have to establish "revolutionary order" and following in the footsteps of the Caballero government: discipline, sole command, obligatory militias (the POUM spoke of a Red Army), proclamation of the rights of peoples to autonomy. Immediately the Committee of Militias, "the only real power" definitively disappeared. The municipalities once again took over the role of the "Anti-fascist Committees" that had been compared to soviets! The atmosphere thickened and the organisation for massacring the workers developed. At Madrid, then at Barcelona decrees were issued for general mobilisation transforming the militias into a regular army. At the same time, the CNT issued its "union orders" to the Catalan proletariat:

"Workers, produce and conquer. No wage demands or other demands. All must be subordinated to war production."

In fact everything for the anti-fascist front: suspension of the class struggle; the language of war belonging to the social patriots of 1914-1918 taken up again by the "libertarians" of 1936. The "revolutionary unification Pact" between all the parties and unions of Catalonia (with the exception of the POUM) came to ratify this "social contract" of holy union. The first point included the formal promise to "execute the decisions and decrees of the Council of the Generalidad by putting at its service all our influence and organisational apparatus." After the capture of Toledo and the march on Madrid, the holy union was consummated at Madrid by the entrance of the anarchists into the Caballero government which called itself the Council of Defence of the Republic. Spanish and international capitalism had been well served.

VI - THE SPANISH WAR AND THE INTERNATIONAL PROLETARIAT

Today the facts speak brutally for themselves. It is no longer a question of Revolution, but of capitalist war. The struggle in Spain effectively opposes the bourgeoisie to the proletariat, but in a situation where the latter consents to its own destruction for the profit of capitalism, as during the First World War of 1914-1918, when it consented to die for "the future of socialism" that had to be preserved from Pan-Germanic barbarism. Nobody denies that at present Spain has become the arena for imperialist competition. Already, in September at Geneva, the left socialist minister for foreign affairs in Spain, Del Vayo, could declare justly enough that,

"under our very eyes, the bleeding fields of Spain are already in fact the battle fields for the world war. This struggle, once started, immediately has transformed itself into an international question."

Clearly for Del Vayo, as for his fellow socialists and Stalinists, the next war will take on the appearance of a conflict between two "opposing" ideologies: democracy - fascism. However, we know of the tacit, though terribly effective, solidarity of the democratic and fascist states that has not ceased being exercised against the Spanish proletariat with the unconscious support of the international proletariat. It was under cover of the farce of non-intervention of Blum's Popular Front government that this solidarity was made most effective in immobilising the proletarians of France, England, Belgium, while containing and holding back the development of imperialist conflicts. For Blum was speaking the truth when he invoked the spectre of world war following after a more direct intervention of the democratic states in the Spanish events. That did not prevent these from tacitly favouring the recruitment of volunteers for

the massacre under the Popular Front aegis. On the other hand, the fascist States could openly intervene with arms and men, protected by the attitude of "neutrality" maintained by the democratic States, which matched the "involvement" of the former with holding back the evolution towards generalised imperialist war. Hadn't Delbos, French minister for foreign affairs, declared in October that it was necessary to avoid at all cost a bitter international crisis which could evolve, as he said, into a "war of secession" in Europe? But for the international proletariat the class problem cannot be represented from the point of view of intervention or non-intervention, both are of a capitalistic nature. With respect to this subject comrade Hennault is equivocal. He rejects the argument put forward by Blum for non-intervention. However, while he considers that it is false that "policies of support to the revolution will lead to a world war" - what does he mean by "policies of support"? Clarity is imperative at the immediate time. Does he believe that overt support for the Spanish Popular Front, under control of capitalism, could be favourable to the development of the proletarian revolution in Spain? In other words, would the international proletariat, in fighting for the "raising of the blockade" in order to "force" Blum, Eden, Stalin to adopt a policy of interventionism, be helping the Spanish proletariat? Firstly, if the democratic States did not respond to Hitler and Mussolini's movements by further overt intervention, this was not in the fear that massive material aid could contribute to the strengthening of the class position of the Spanish workers, to raise their revolutionary consciousness, to hamper the process of sacred union. Such a hypothesis remains to be proved. On the one hand, the anti-fascist war, with the direct support of the fascist States and the indirect support of the democratic States, appeared as the perfect tool for enslaving the Spanish proletariat to capitalist interests. But on the other hand, it is certain that, in the event of a powerful working class outburst, the framework of the sacred union would be undermined and the Spanish bourgeoisie menaced, and then we would witness an immediate combining of the "democratic" forces in Spain, France, England, Belgium and Russia, in order to defeat the workers and peasants in Spain.

But in the absence of such a perspective, haven't we already witnessed the overt support of the USSR to the anti-fascist camp, seeing that in such a situation, as has been ascertained by comrade Hennault, "the Spanish proletariat has once again been nailed to the capitalist system"? It is clear that the USSR acts thus, not to support the Spanish proletariat, but to defend its own position within the concert of world imperialism.

Comrade Hennault considers, nevertheless, that the support of the proletariat demands men and arms. But, seeing that he himself admits that this support can only be practically realised for capitalist ends, as in the case of the USSR, how does he imagine that the Spanish proletariat can escape

bourgeois recuperation when it puts itself in the camp of armed interventionism? The attempt by comrade Hennault to make a distinction in this area between proletarian aid and capitalist aid is purely abstract because it does not take account of the class forces in struggle. Besides, comrade Hennault understands this very well when he says that sending men and munitions to Spain was the most ostentatious way but not the most efficient way of supporting the revolution and that the presence here of the socialist workers and communists sent to Spain would be a thousand times more valuable than their presence in Spain. But comrade Hennault knows that if this form of support is demanded by the traitorous socialists and Stalinists (to which have now been added the anarchists, the POUM and the Trotskyists) it is just because they have a counter-revolutionary role and not because they can contribute to the development of the Spanish revolution. Besides, hasn't he noticed that the armed support only took on a real volume with the recession of the Spanish proletariat in the revolution, a recession marked by the entrance of the anarchists and the POUM in the sacred union? And isn't it his conclusion that each proletariat must above all express its solidarity with the Spanish proletariat by struggling against its own bourgeoisie? But can one fight this latter end at the same time support the "republican" bourgeoisie in Spain by sending proletarians to a holocaust? From the position of comrade Hennault the answer comes back again in the affirmative, for even though he may believe that he is for aid to the Spanish proletariat and not for aid to Spanish capitalism, in fact his attachment to the anti-fascist war ideologically disarms the Spanish workers and those elsewhere.

In Spain today it is not a question of revolution but of war. A war which is under the grip of capitalist domination, a capitalist war. That is the Marxist axiom. The proletariat may be powerless to oppose it. It cannot accept it. It cannot forget the lesson of 1914, which is definitive. To this war it must oppose its own civil war for the abolition of the capitalist state, whatever the military repercussions flowing from that might be.

The workers and peasants in Spain, while they are being massacred under the anti-fascist flag, are not fighting for socialism but for the triumph of capitalism. The anti-fascist war is not directed against capitalism, but against the proletariat. Either the Spanish proletariat will succeed in breaking up the military fronts, in forming its own organs of struggle, its own party, or it will be smashed, even if it conquers Franco.

The international proletariat can only take up arms with the Spanish proletariat through class action directed against the economic and political apparatus of capitalism.

The international action of each proletariat can only consist of decisive class struggle on the national terrain. That is why effective help for revolutionary Spain resides solely in the world overthrow of class relations.

January, 1937

This text, which was first published in Bilan, the journal of the exiled Italian Left, was translated from Invariance No.8 (October/December 1969)

Communist Work and the CWO

The following text must be placed in the context of the recent secession in the C.W.O. It was drafted when an "activist" tendency was emerging in Liverpool. This tendency never made its views clear in any way, thus the text had to "guess" what the activists were getting at and made a comprehensive criticism that would cover all possible aberrations. After the single-word criticism that the text was "abstentionist" the ex-section made no further statement of their views. We can only condemn this non-political failure of those who had criticisms of the text to develop and state them. What follows is the finally accepted C.W.O. position on the issue of intervention, prefaced by added material on the definition of the class struggle.

WHAT IS THE CLASS STRUGGLE?

First let us reject the idea of those tendencies who say that the actual revolution is the only expression of the class-struggle and see this as developing divorced from any previous struggles of the class. The C.W.O. has never been of the opinion that the economic, non-revolutionary struggle of workers has nothing to do with the class struggle and the development of class consciousness. The class struggle exists everywhere all the time, from the most incoherent act of disobedience and the most limited sectional strike, to the mass strike and insurrection: the working class can never be integrated into capitalism. But in saying this, we don't put all economic activity of the class on the same level: in fact our previous failure to distinguish between levels of the class struggle has been one of the reasons why confusion has flourished in the C.W.O. Obviously if all the class struggle outside revolution is on a par, then if we decline to become enthusiastic about sectional struggles, then we are "abstentionist".

There is obviously a qualitative break between the most advanced economic struggle and the revolutionary struggle. Not that economic demands will not be made during the revolution itself: far from it, even in the revolution, Workers Councils will make economic demands, but the scales will have tipped decisively in the direction of the "all or nothing" fight with the ruling class. However, this is not the only qualitative break in the class struggle. Between the sectional, economic strike centred round demands for differentials, special cases etc. (that is, the type of struggle that is dominant in Britain just now), and mass, class-wide movements, where everything is in the melting pot, where solidarity and mass action are the watchwords and where demands are often an afterthought to the struggle, as in Spain today between these two situations, both of which are the expression of class contradictions, there is also a qualitative difference. We don't denounce individual acts of sabotage, absenteeism, craft militancy, sectional struggles and so forth when they occur. Only, we realise they lead nowhere, and they are in no way a step forward, or potential ground for raising class consciousness.

On the other hand, strikes which break craft/industry/region barriers, and which spread with common aims and feelings of solidarity and where embryonic forms of class organisation emerge, have already within them the potential for further development, both in terms of form and political content. Contrary to what the cheerleaders of sectional strikes assert, such movements do not emerge from a generalisation of sectional struggles or from initially union-controlled action. All the mass class movements we have seen since 1968 have emerged instantaneously, spread rapidly and reached their high point very quickly (France, Poland, Argentina etc.). Sectionalism and union control mark their decline, NOT their beginning. Unfortunately, such actions are in a minority of the class', especially in Britain. We have seen the miners and dockers strike in 1972 and the Clydeside strike of 1974, but little else in the past few years. The British working class, despite its proud claims to militancy, is one of the most economistic, craft-minded, sectionalism-dominated classes in the world, and it would be a grave mistake for revolutionaries to see an upsurge in this kind of activity, caused by the "mini-boom", as the seeds of a potentially positive class movement. Here, more than anywhere else, rather than cheer on such struggles, we have to show they are a dead-end. Mad activism within such fights, justified by vague phrases like "earning the right to put forward your politics" or avoiding being too "rigid and impractical", are just catch-phrases designed to legitimise the slide into opportunist political activities.

The survival of the C.W.O. in this most difficult period for revolutionaries internationally, when the class struggle is at a low level, and there has been a "pause" in the decline of capital internationally, necessitates the clearest positions on intervention becoming part of our political perspectives. After their brief flurry "activists" will find themselves beating their heads against a brick wall, as they did in the last "mini-boom" of 1972-74. Let us now look at the question of intervention in detail.

RAISING DEMANDS?

A revolutionary group exists to fight within the working class for its ideas; any group not carrying out this task is not part of the class movement. But at the present time, our role can only be as an opposition within any workers' movement that emerges. To clarify what communist intervention is, let's approach the issue by looking at what it is not.

It is no part of our task to raise practical demands (eg wages, hours) during workers' struggles. In the defensive fight of the class against the effects of the crisis, economic demands will be made; our task is to fight for a communist perspective by pointing out the impossibility of such struggles maintaining living standards, and by calling for an end to sectional struggles in the present situation. We must not engage in the absurd auctioneering of the leftists with each sect trying to outbid the other for the support of the class by raising higher and higher demands.

Neither can it be any part of our task to follow the Trotskyists with their so-called programme of "transitional demands". The idea behind this is that the workers are so stupid they will never fight for communism, and that if we can only lead them by the nose to struggle for things we know capitalism can't give, out of defeat the workers will somehow stumble into communism. In the first place certain of these transitional demands can be conceded by capitalism, and in the second place revolutionaries do not combat the illusions of the class by heaping more illusions on them, but by opposing the class' illusions, and by offering the only thing all these revolutionary auctioneers never mention — a perspective for a solution to the dilemma of humanity, the communist revolution.

In the depth of the counter-revolutionary period after World War Two, certain revolutionary groups did raise economic demands in strikes. For example, the group Internationals in France put forward a series of demands to unite the class in the strike at Renault in 1947, as well as denouncing the unions, the 'communist' party etc. Today with an undefeated class and a new revolutionary wave emerging, all such concessions to economic demand raising deflect from the main aim. In every intervention, the revolutionary position has to be advanced.

A SERVICE ORGANISATION?

Competing with the auctioneers we have the dolers-out of charity, those who say we exist to give practical help in struggles, while refraining from giving political advice. But this is also a dead-end. In the first place, even the most enthusiastic 'servers' will support some struggles and not others: eg. support those for wage rises, but not those for import controls, or against immigrant workers. Why do they do this? Because they have a general political analysis that sees the reactionary nature of certain struggles. But to refrain from helping them is not enough. We must intervene to explain to the class why such struggles are reactionary; this is a political intervention. It is no good to say that we can help struggles as long as they are not obviously reactionary and that it will all come out in the wash. Take the case of the Socialist Labour Party (S.L.P.) which was based on the Clyde before the first World War. Their view that they existed partly to serve the class led to their members being elected to most of the leading positions in the Shop Stewards and Workers Committee movement in the area. This of necessity involved them in fighting for the 'best terms' for dilution to boost war production and kill German workers, and in fighting to keep skilled A.S.E. workers (engineering union) out of the forces while leaving unskilled workers to be blown to bits. At the same time, the S.L.P., through its press, meetings etc., was organising revolutionary opposition to the war! Members, who through the day were boosting war production, denounced it from their soap boxes at night. As a result, the S.L.P. was unable to offer a clear revolutionary lead to the class.

The main trouble with modern organisations which see themselves as having the function of reporting strikes, publishing interviews with workers, making equipment available to them etc. is that they see the revolution as the result of an accumulation of economic struggles which spontaneously burst into flame when they find the right 'form'. But what the revolutionary minority of workers has to offer the rest of the class is not practical help, but a political lead, a perspective for going beyond the inevitable dead-end of sectional struggles, of deepening the class' understanding of the need for communism, and not offering strikers a duplicator, or advertising for workers' co-ops in our paper.

That is not to say we can perform no service tasks for the working class; for example, it may be possible for us to publish texts produced by workers in struggle to show how far the class has come in a certain country (e.g. we published an address from the strikers in Bultaco in Spain in Workers Voice 20) but this activity must always be subordinated to our over-all tasks.

POLITICAL INTERVENTION.

At this point, many who have been involved in what passes for left wing politics may be puzzled; if we are neither a demand-raising organisation, nor a service organisation, then what is our role? Our main task is political intervention in the class, by leafletting

at workplaces, sales of magazines, speeches, public meetings etc. around two main areas:

1. The class' own struggles. We have to report and analyse these, and draw the lessons from them (e.g. on the reactionary nature of the unions today, or on the dangers of 'self-management'), and we also have to emphasise the necessity of breaking down sectional and national barriers, and going beyond defensive economic struggles. In mass actions we call for the unification of strike committees and the revolutionary solution. We also have to point out the high spots of the international workers movement, with its advanced forms of organisation, and sweep of solidarity, with the beginning of the emergence of a revolutionary understanding. (E.g., we tried to do this last year with the struggles in Spain and Argentina in our leaflet "Capitalism faces a Winter of Discontent").

2. Important political occurrences. Our role is not just confined to an analysis of the class struggle; when events that have significance for the workers happen we must spread our analysis of them. Outbreaks of wars, important phases in the economic crisis etc., all demand comment from revolutionaries, to show who the class' enemies are, to point out why nationalisations are a false road and so on. These are the types of tasks that our leaflets, such as "Why Vietnam is not Communist" and "Is the Worst Over" (on the crisis), have dealt with.

The aim of such intervention, in whatever form it takes, is to draw out the lessons of the class' own experience, develop those points which show the way to communism and deepen class consciousness. To those who say we are imposing our ideas on the class movement, we can only reply that 'our' ideas are the class' ideas, that is the fruit of centuries of working class experience, preserved and developed by revolutionary minorities within the class. The proof of this will be when the class makes these ideas its own again in a revolutionary situation.

THE METHODS OF INTERVENTION.

The methods by which this intervention is carried out is determined by our idea that there are no separate lessons for special groups of workers, either by trade or by nation; our guiding principle is that intervention occurs as widely as possible within the class, nationally and internationally. It is obvious that a member of the C.W.O. in a specific work-place will carry out work in that work-place by word of mouth, paper sales, intervention in mass meetings etc., but the bulk of our members work will be carried out through the organisation acting as a collective. A member's work will be mainly the writing and distribution of material which goes out in the name of the organisation, and is addressed to the class as a whole.

However, it may happen that as the organisation grows bigger, the C.W.O. has a group in one area, or several members in one factory, and an issue arises that requires swift intervention. Certainly such cases will crop up as the organisation gets a foothold in several countries; here interventions must follow certain cardinal principles;

- there can be no 'liquidation' of the C.W.O. into vague factory groups in common with other political organisations; at all times the interventions must go out in the name of, and express the politics of, the C.W.O.
- there can be no concessions to local factory 'patriotism', and the intervention should be drawn up so it is comprehensible and relevant to the widest range of workers, not only in any combine or industry, but nationally or even internationally.

Not all of the class struggle takes on epic proportions; the bulk is still the daily round of piecemeal battles between capital and labour. Even in these struggles lessons can be learned by individual workers about the nature of the unions, the role of the capitalist state etc., and here communists can intervene though only if a member of the organisation is in that work-place, and as such is forced into battle with the section of workers. But in these struggles also our role is oppositional: we cannot be elected to strike committees in sectional strikes, and negotiate the rate of exploitation for the class. Our task is not to be the errand boys of the strike committees, either by going around with a can collecting for the strike, pulling out reluctant workers, whipping workers onto picket duty etc. Again we fulfill the task that no one else will carry out, the voicing in the struggle of an anti-capitalist perspective, and this can only be done from an oppositional standpoint, and not with one foot in the management's office (and the other foot possibly in the trades union office).

In more generalised outbreaks of class struggle the role of communists is fuller. For example, participation in mass meetings to put forward our views, on mass pickets - if they are a genuine emanation of the class - to argue for our politics, and possibly on genuine committees elected by mass assemblies. In the most generalised outbreaks of class struggle (eg. May 1968 in France, the recent strike wave in Spain) the struggle comes first, the demands second. A whole mass upheaval is launched and begins to spread and intensify without concrete demands being made; often these are palmed off on the movement when it is already in decline; for weeks the French workers in 1968 said, "To hell with LO!" (the union demand) without raising any demands of their own; workers in Argentina were on the streets fighting the police, sacking union offices and shops for some time before the 50% wage demand concretised. In such situations, a communist could be elected to a strike committee, even if he made quite clear the basis of his acceptance (no negotiations with capital, and for a class wide struggle for power). Very rapidly, however, this would conflict with the rest of the strike committee (and the level of the class' consciousness), and he would be recalled and replaced; but such a situation would offer valuable ground for explaining our views to the class.

Though talking till now of intervention at the workplace, we don't want to imply that intervention is not possible elsewhere. Activity would be possible among tenants and unemployed, not to 'organize' them, but to explain such things as our views on the abolition of rent, and integration of unemployed into production in the transition period, and it would be possible to leaflet demonstrations called over economic strikes etc., provided it was guaranteed that large numbers of workers would be involved. Leafletting collections of union officials and leftists is futile, yet some who shout loudest about intervention still make such demonstrations their priority.

Only in a pre-revolutionary situation will our role alter from its present oppositional one. Then, though our political tasks will remain the same, there will be practical demands for us to make, since the class will face practical tasks that are also revolutionary ones. At this time we will have to fight for the arming of the class, the introduction of labour cards etc., as well as for the creation of Workers' Councils and their suppression of the bourgeois state. Within these Councils, organized round the programme that will express our views in a concise and popular fashion, we will fight for a communist majority. Our oppositional role today is the reverse of our being able to carry out such tasks in the future. Those who today subordinate all to 'keeping close to the class', to ouvrierism and activism will have succumbed to demoralisation, or to counter revolution, long before such a time.

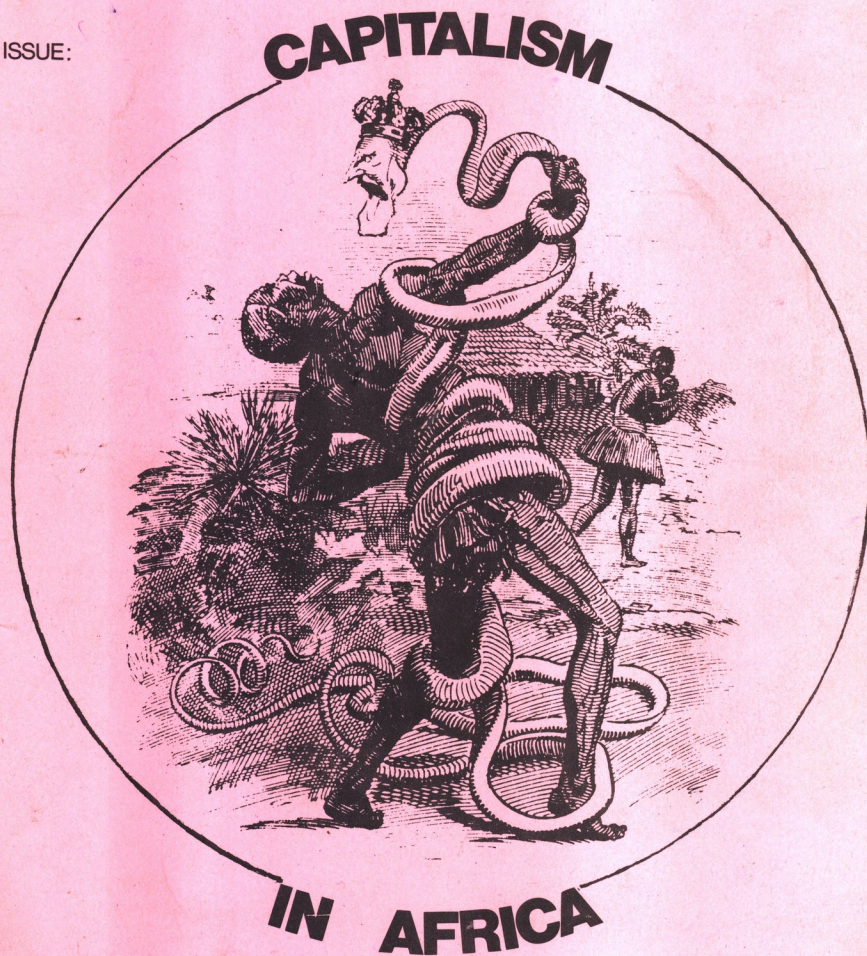
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REVOLUTIONARY PERSPECTIVES

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JOURNAL OF THE COMMUNIST WORKERS ORGANISATION

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Address for correspondence

Communist Workers Organisation
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(Front cover: Cartoon from Punch on Leopold, King of the Belgians' rubber empire in the Congo.)

EDITORIAL. The I.M.F. and the Cuts.

At the beginning of this year, the British Government, the management committee of British Capitalism, turned in their hour of need to the International Monetary Fund for a loan of 3.9 billion dollars. The reasons for the use of the begging bowl yet again are not hard to find - unemployment at 1 1/2 million and rising, inflation currently at 19 1/2% per annum, the pound falling in value on the international money market and the never ending balance of payments deficit. The loan, when it was finally agreed to, was immediately portrayed as a fresh start, as the basis for a new boom. The reality, however is somewhat different.

GLOBAL CRISIS.

The Crisis in Britain is only a small part of the global crisis of capitalism. Capitalism in the 20th Century is a world wide system, with every national economy inextricably tied to the world market. Thus as capitalism moves inexorably into crisis once again, no nation can escape the effects. The material basis for the crisis is to be found in the tendential fall in the rate of profit brought about by the rising organic composition of capital. As the tendency for the rate of profit to fall becomes concrete, the mass of surplus value produced falls, first relatively and finally absolutely, eventually becoming too small to meet the needs of further accumulation. (a fuller explanation may be found in Revolutionary Perspectives 3)

Although the crisis is global it isn't felt equally in all countries at the same time. Inevitably those countries which are already uncompetitive on the world market bear the brunt first. So when the present crisis first began to be felt in the late sixties it was nations like Spain, Portugal and Argentina which faltered first. By 1975, the first year since the last war that WORLD production figures had fallen, it was the turn of the sick men of Europe - Italy and Britain - to start foundering. Given the interdependence of national economies, however, the collapse of a nation the size of either Britain or Italy would be disastrous for the Western Bloc of capitalism. Thus the stronger capitals are forced to step in and shore up the weaker in an effort to protect their international investments and also to prop up the world market on which each national capital ultimately depends. Hence the rush of international capital in 1974, totalling over 5 1/2 billion dollars to a nearly bankrupt Italy. Today it is Britain's turn to be bailed out.

Immediately the loan became common knowledge the pound sterling rose sharply in value on the foreign exchange markets. However the new found confidence of the future of British capital must, inevitably, be short lived. This loan can in no way solve the problem of the chronic lack of surplus value for the British economy any more than it could do so for ANY economy. The loan is merely a short term measure by American Capital, under the guise of the I.M.F., to stabilise the international economic system while at the same time increasing its domination of British capital. In no way is the loan a "gift" as some optimistic bourgeois commentators have seemed to

imply. One of the main conditions of the loan is that it must be paid back WITH INTEREST, which, in effect, means that British capital has mortgaged any future profits it makes; something which, in the present situation of decreasing profitability, is now a serious problem. For neither the British economy in particular nor the international economy in general has the prospect of an increase in profitability in front of it. The loan will merely slow down the collapse of British capital, not transform it into a booming economy. Eventually, once the loan is spent propping up moribund British industry, the dangerous - for capitalism - decline will begin again.

For the falling rate of profit is the situation which faces capitalism globally - east and west. Thus British capitalism's ability to be bailed out by the more (as yet) profitable economies in the western bloc is directly tied to THEIR profitability and, as such, is definitely limited. Spending capital bailing out the weaklings instead of using it to fund further investment means the rate of "slip" gets a little faster.

If internationally, the world bourgeoisie tries to stave off its crisis by propping each other up like a bunch of drunks, within each national capital a whole gamut of other "solutions" are being posed. The various leftist groups in Britain, in particular, have emerged to further their own - equally capitalist - "solutions" to the crisis. These so-called solutions have ranged from nationalisation to varying forms of import controls.

The second of these - import controls - are no way out of the crisis of falling profit levels. The introduction of any form of these would merely lead to tariff barriers being raised in retaliation by all the other capitalist states in self-defence, and this British capital could not endure. Its ability to compete on the world market, already pretty precarious, would only be reduced further by such a measure. The demand for import controls is an attempt to divide the world working class by getting them to defend their own national capital in a global crisis against all others and in opposition to their interests as a world class. Similarly nationalisation offers no prospect of a long-term solution to the problem for it does not eradicate the ultimate cause of the crisis the capitalist system itself. Indeed in the short term it does the very opposite: it props the rotting corpse up. Nationalisation is, indeed, being actively sought by certain sections of British capital; Benn etc., PRECISELY because they believe it will help SAVE British capitalism. The leftists merely expose their objectively capitalist nature by proposing nationalisation as a cure-all. In the short term nationalisation is merely the mechanism by which the state redistributes surplus value from the still profitable sectors to the sectors whose organic composition has become so high that they can no longer generate sufficient surplus value to continue production, but whose existence is vital to the existence of a capitalist economy. The long term effect is to increase the drain on the rapidly dwindling pool of surplus value.

State ownership also makes it much easier for capitalism to attack the working class. For this is capitalism's REAL solution to ITS crisis. With power firmly vested in the hands of the capitalist state the forces of capitalism can be used to increase the rate at which the working class can be exploited and more surplus value extracted from them. We need only look at the eastern bloc to see how full blown state capitalism is merely another way of attacking

the proletariat with the whole repressive machinery of the state including the unions. In the west, on the other hand, the use of such capitalist organs as the unions is less obvious, as yet, to the working class but their function both east and west is ultimately the same - the defence of capital. In the past few years workers throughout the world have begun to relearn a lesson first learned in 1914 when unions and labour parties internationally revealed their true nature by driving workers into the carnage of World War I in defence of their national capitals. The lesson is that Unions and Social Democracy today everywhere defend not the workers but capitalism itself. Workers have shown their understanding of this recently in the mass strikes outside of and against the unions in Spain, Portugal, Argentina and Poland.

CAPITAL'S ANSWER.

Immediately the only way that capitalism, and this applies to all countries east and west, can attempt to tackle the crisis is by trying to extract more surplus value out of the working class. To have any hope of surviving they must radically alter the standard of living of the proletariat i.e. making sure that less of the value they produce is returned to them in the form of consumption goods. In Britain this attack has begun to assume a number of forms. eg. Nationalisation and import controls. Another way is the self-management illusion most recently rearing its head again in the Ballock Report - a scheme for offering "selected" workers seats on the boards of big industries in return for more "efficient" use of resources; read - harder work for less pay: in effect an attempt at the rationalisation of industry in the interests of the national capital. The workers are to be allowed to organise and oversee their own exploitation and to participate in the deepening of that exploitation. More directly attacks have been taking the time-honoured form of holding down wages below the rate of inflation - at present running at 19 $\frac{1}{2}$ % per annum - and of government cuts aimed at reducing the services available to the working class. For 1977-78 cuts are projected at £1.3 billion and are estimated to be going to put 20,000 to 30,000 local government employees out of work, further increasing the pool of unemployed already at its highest since the last round of capitalist crisis came to an end after the Second World War. This increased competition for jobs makes it difficult for the working class to defend its standard of living. But can it expect to succeed in the period of the death crisis of capitalism? The leftist fronts of "Fight the Cuts" and the "Right to Work" campaigns offer no solutions to the attack of capital upon the working class. These campaigns divert the workers away from an understanding of the cause and depths of the crisis of decadent capitalism. In the depths of crisis the right to work is a right guaranteed only insofar as it is profitable for capital to exploit labour-power. Hence the cutback in unproductive sectors of government spending - health service, education etc. Capital must cut back in these areas because they are funded from surplus-value producing labour-power. As the chronic shortage of profit manifests itself and the bourgeoisie finds it cannot and will not restore expanded levels of social services, the immediate need is to increase the rate of exploitation which demands a cut-back in all unproductive sectors. To obscure this as the leftists do is to mystify the reality of capitalist relations and to lead the working class into self-defeating action.

All this is only the immediate prospect for the working class. A

falling standard of living and increasing unemployment. But in the long term if the attack by capital on the proletariat succeeds the prospect is one of total and permanent pauperisation leading to Global War. Just as the crisis of the Thirties was finally "solved" by the mass starvation of the workers and a war which meant the physical destruction of the means of production - machinery and of millions of workers, so too the present global crisis can only be "solved" for the capitalists by war. War for profits. Global war is thus the inevitable end to capitalism if it is allowed to run its "natural" course; for only by mass destruction can capitalism devalue itself sufficiently to start a new round of accumulation. With the prospect of the next war being nuclear even that possibility is remote.

Only revolutionary action by the proletariat can prevent this. Only the workers responding as a Global Class can destroy the capitalist mode of production and replace it with production organised for use and can ensure that pauperisation and war is not the future that awaits mankind.

APPEAL TO READERS

The Communist Workers Organisation wishes to open a political dialogue with readers who find themselves in sympathy with our political standpoint. We also invite those who find themselves in sympathy to take positive steps towards a practical demonstration of this. We have sections in Leeds, Tyneside, Clydeside, Edinburgh and Aberdeen and regularly distribute leaflets on issues of importance to the international class struggle. (Further details from the group address)

The Accumulation of Contradictions OR

The Economic Consequences of Rosa Luxemburg

THE HISTORICAL CONTEXT

The revolutionary basis of Marxism rests on its ability to prove that capitalism is not only a crisis-ridden system, but that as a mode of production it also faces objective limits to its own self-expansion. On this rests the view that communism is not only desirable (the position of utopians, past and present) but an absolute necessity. In the era of decadent capitalism,(1) in this century, this necessity has become increasingly urgent, as the method by which capitalism today resolves its crises through the physical destruction of value (i.e. through war), threatens to extinguish humanity itself.

One writer who had the merit of realising the need for an objective understanding of the limitations of capitalism was Rosa Luxemburg. Her whole life was devoted to a struggle against utopian and reformist elements in the German Social Democratic Party and she was among the first, if not the first, to realise that the era of national liberation struggles had definitely closed. In a polemic of 1896 she concluded that Polish capitalism was inextricably linked by "chains of gold" to Russian capital and that therefore Polish independence would not lead to a further development of capitalism. Thus revolutionaries had no further interest in supporting it, as Marx and Engels had done (and indeed as Engels still did in the 1892 introduction to the Polish edition of the Communist Manifesto), nor had they any interest in supporting "national liberation" in any state in the era of imperialism, as any new state would only be at the mercy of one of the imperialist powers. Because these states could not develop independently, capitalism had now ceased to be progressive and proletarian revolution was the only aim of all revolutionaries.

It was Luxemburg, rather than Lenin, who represented revolutionary clarity on the national question during the post-war revolutionary wave. She condemned the nationalities policy of the Bolsheviks which allowed the break-up of the old Russian empire on the basis of "national self-determination" as "nothing but hollow petty-bourgeois phraseology and humbug" (The Russian Revolution p.49) because it delivered Finland and the Ukraine over to German imperialism (which helped the weak local bourgeoisies to murder their respective proletariats).

(1) See Revolutionary Perspectives 2 "The Economic Foundations of Capitalist Decadence" for a fuller explanation of this essential concept and a more positive statement of the CWO's position.

This revolutionary clarity on the national question (1) cannot be attributed to the economic theories which Luxemburg propounded in the latter part of her life. Guy Sabatier (2) in an article in Spartakus No.64 (November-December 1975) tries to tell us however, that the economic basis for Luxemburg's views are to be found in her major economic work, The Accumulation of Capital (1913). But even his own account of Luxemburg's political evolution shows that her understanding of the national question pre-dates by nearly a quarter of a century the appearance of The Accumulation of Capital. Nor can Sabatier argue that Luxemburg held those views on economics before that date but merely had not got around to publishing them. In Social Reform or Revolution, written in 1899, she shows that she originally had a Marxist position on the understanding of the cause of capitalist crises.

"It is the threat of the constant fall in the rate of profit, resulting not from the contradiction between production and exchange, but from the growth of the productivity of labour itself ... (which) has the extremely dangerous tendency of rendering impossible any enterprise for small and middle-sized capitals. It thus limits the new formation and therefore extension of placements of capital." (quoted in Looker Selected Political Writings of Rosa Luxemburg) (3)

Luxemburg's theory that capitalist collapse was caused, not by the rising organic composition of capital, but by the saturation of markets emerged as a response to the situation in German Social Democracy at the turn of the century.

Marx had always argued that the central law of capitalist development was the falling rate of profit.

"This is in every respect the most important law of modern political economy, and the most essential for understanding the most difficult relations. It is the most important law from the scientific standpoint ... hence it is evident that the material productive power already present, already worked out, existing in the form of fixed capital ... that the productive forces brought about by the historical development of capitalism itself, when it reaches a certain point, suspend the self-realisation of capital, instead of positing it." (Grundrisse p.748-9)

But by use of empirical arguments Bernstein and the other revisionists pointed out that capitalism did not appear closer to

(1) On the national question, see "Marxism and the Irish Question in Revolutionary Perspectives 2.

(2) Luminary of the French group Pour une Intervention Communiste (PIC) See below.

(3) And the other Luxemburgist group, the International Communist Current (ICC - British sibling, World Revolution) believe that Luxemburg held her saturated markets views in Social Reform or Revolution! See their pamphlet The Decadence of Capitalism.

catastrophe but on the contrary, because of the success of the trade unions, was even passing on some of the benefits of its "success" to the workers.(1) The logic of this was continued reformism with the assumption that socialism would arrive through the gradual socialisation of the capitalist economy and political power would be obtained via the ballot box. From the very beginning Luxemburg was the most bitter (and coherent) opponent of the revisionists. Against their Kantian idealism she retorted:

"If one admits, with Bernstein, that capitalist development does not move in the direction of its own ruin, then socialism ceases to be OBJECTIVELY NECESSARY." (Social Reform or Revolution op.cit. p.60)

So far so good. Luxemburg fought valiantly for the revolutionary core of Marxism at this juncture. However, for whatever reason, whether it was the empiricist arguments of the revisionists, or the work she herself was doing in the Party school of the SPD on economics, Luxemburg abandoned the Marxist explanation(2) (though she never admitted this) of the capitalist breakdown theory. This did not mean that she abandoned the breakdown theory. On the contrary, she looked for a better, more powerful theory than that of Marx and which would match the reality of her time more clearly. This theory was finally revealed in The Accumulation of Capital. Here she positively abandoned value theory by asserting that the fall in the rate of profit could not be the cause of the capitalist crisis.

"The increasing productivity of labour ensures that the means of production grow faster in bulk than in value, in other words means of production become cheaper ... This phenomenon, amongst others, checks the actual decline in the rate of profit and modifies it to a mere tendency, though our example shows that the decline of the rate of profit would not only be retarded but rather completely arrested." (The Accumulation of Capital pp.337-8)

(1) Not understanding how Marx himself had said the tendency would act.

"We have thus seen in a general way that the same influences which produce a tendency in the general rate of profit to fall, also call forth countereffects, which hamper, retard, and partly paralyse this fall. The latter do not do away with the law, but impair the effect. Otherwise, it would not be the fall of the general rate of profit, but rather its relative slowness, that would be incomprehensible. Thus the law acts only as a tendency. And it is only under certain circumstances and only after long periods that its effects become strikingly pronounced. (Capital Vol.III p.239)

(2) She excused this by maintaining that Volume II of Capital was only a series of rough notes put together by Engels (See pp.168-9 of The Accumulation of Capital). What she never asks is why the ailing Marx felt it necessary to press on with the rough notes for Volume III (which deals with the falling rate of profit) whilst leaving incomplete the volume devoted to the circulation of commodities.

And again, in the Anti-critique (a reply to the critics of The Accumulation of Capital) she equates the validity of Marxist economics with the extinction of natural life.

"Or else we are left with the somewhat oblique comfort provided by a little "expert" from the Dresdener Volkzeitung who, after thoroughly destroying my book, explains that capitalism will eventually collapse because of the falling rate of profit.... However, what may be this comfort is unfortunately dispelled by a single sentence by Marx, namely the statement that "large capitals will compensate for the fall in the rate of profit by mass production." Thus there is still some time to pass before capitalism collapses because of the falling rate of profit, roughly until the sun burns out." (ibid pp.76-77)

If Luxemburg's economic understanding had been as good as her polemical talent she would never have written the above; nor, for that matter could she have written her book in the first place. It is more a commentary on the victory of revisionism in German Social Democracy that only a "little expert" stands up for Marxism but it shows that Luxemburg and most of her critics were agreed on one thing - Marxist economics were finished!

To begin with Marx cited many ways in which the fall in the rate of profit could be counter-acted, including the increased intensity of exploitation, depression of wages below the value of labour power, relative over-population and foreign trade, (See Capital Vol. III, Ch.XIV) but he is quite clear that they do not halt the fall in the rate of profit. On the contrary, they help to explain why "this fall is not greater and more rapid" (Vol.III, p.232) Second, increased productivity (not cited by Marx as a counter-acting influence) is also a further condition of the fall in the rate of profit.

"The rate of profit does not fall because labour becomes less productive, but because it becomes more productive. Both the rise in the rate of surplus value and the fall in the rate of profit are but specific forms through which the growing productivity of labour are expressed under capitalism. (Capital Vol. III p.240)

Luxemburg's basic error here is only part of her greater failure to fully understand the significance of the rising organic composition, and by implication, value theory itself. However, this can be best illustrated by turning to her actual theory.

Luxemburg's basic argument in The Accumulation of Capital was, that in a world composed only of capitalists and wage workers (the world posited by Marx in Capital), the finite limits to the consumption of the capitalists (physically) and the proletariat (due to its restricted purchasing power) would clash with the unlimited capacity of capitalism to expand production. Capitalist expansion had hitherto been possible only because huge areas of the world had been given over to pre-capitalist modes of production which had served as markets to realise that part of the surplus

9.
value destined for further capitalisation. According to Luxemburg, when all these pre-capitalist areas have been integrated into capitalism so that the market for capital expansion is saturated, overproduction is thus the order of the day. The permanent capitalist crisis has arrived. Since she considered this situation had been largely brought about by 1913 she was thus able to offer a logically deducible explanation of imperialism - the struggle for markets between the Great Powers.

MARX AND THE 'PROBLEM' OF EXPANDED REPRODUCTION

Taking Luxemburg's argument in its various stages, she begins by pointing to what she sees as Marx's failure to solve the "problem" of reproduction. In Volume II of Capital Marx sought to show that expanded reproduction (i.e. accumulation) of capital was possible in a world composed solely of capitalists and workers. In Volume I he laid out this framework:

"If we are to examine our topic in its integrity, without disturbances by subsidiary circumstances, we must, for the once, treat the whole world as one nation, must assume that capitalist production is everywhere established and has got possession of all branches of industry." (Capital Vol.I p.638

Quoted in The Accumulation of Capital p.136 and 331 in a slightly different translation.)

and in Volume II he turned to the process of circulation of commodities within this capitalist world. For the sake of clarity we will briefly outline the arguments of both volumes here.

Marx did not discover the law of value out of thin air but rather built on the work of earlier writers like Smith and Ricardo, who by virtue of their commitment to the continued existence of capitalism, were unable to follow the logic of their own analysis to its ultimate conclusion.

The rise of a new wealthy, dynamic society in (principally) 18th Century Britain led to an inquiry conducted by the educated representatives of the new class into the origin of wealth in general. They not only wanted to know how wealth came to be created but why a certain quantity of one commodity cost more or less than the same quantity of another commodity. Adam Smith was the first to realise that (for example) the mere possession of underground coal was not the possession of wealth until someone had brought that coal to a point where it could be used. Similarly, the possession of the most fertile field was worth nothing until someone had worked on it. Labour was thus seen to be the source of all value. The difference in value between a ton of coal and a ton of bread is the difference between the amount of labour time which it takes on average to produce the two different commodities. This in its simplest form, is the basis of the labour theory of value.

Like coal or bread, labour power is itself a commodity. It has to be sold by the propertyless (i.e. the proletariat) to the owners of the means of production (such as factories, farms, mines, etc.). However, according to the labour theory of value, the value of a

commodity is fixed by the amount of labour that is, on average, necessary for its production; so what is the value of labour power itself? The answer is the same as for all other commodities. It is fixed by the amount of time the worker has to work in order to provide himself with the necessities of life. (See Capital Vol.I pp.230 and 563).

This is the key to understanding the meaning of exploitation. Under capitalism the capitalist is thus able to buy the worker's labour power at its value but the worker produces far more commodities than the equivalent of the value of his labour. He thus produces surplus labour, which, in the shape of the commodities created by this labour, means surplus value for the capitalist. This surplus value is the source of the capitalist's profit.

The law of value poses its own problems for the capitalist system when we look at accumulation. Taking the whole world as a single capitalist, each cycle of accumulation has to involve the same elements. These are: machines and raw materials (Marx called this constant capital or c), labourers, to whom the capitalist pays the price of their labour power in the form of wages (Marx called this variable capital or v); and the final outcome of the process is a product incorporating a value greater than the sum of the original components (because labour has been expended). This is the surplus value, or s . Thus our total product contains elements of all three and its formula is therefore: $c + v + s$

Obviously, from the point of view of the capitalist system as a whole, the capitalists should try to keep v as high as possible in relation to c because men can create new value but machines cannot. But in the real world of capitalist competition this makes less sense to the individual capitalist who is only interested in making a greater profit than his rivals. To do this he must be constantly on the look-out for labour-saving devices, enabling him to produce more commodities at less cost and thus increasing the productivity of labour. In value terms, he must use most of his surplus to expand his constant capital (c). Thus we find that the organic composition of capital (the ratio $c:v$) rises. But as labour is the source of all value the reduction in v (in relation to c) leads to a reduction in s in relation to $c + v$, thus $s/c+v$ (the rate of profit) has a logical tendency to fall. This is the central contradiction of capitalism. It must expand or die, but each new expansion makes death more certain.

However, this has already taken us beyond Volume I and into Volume III of Capital. In Volume II, the volume concerned with the "circulation of commodities", Marx divided total production ($c + v + s$) into its two branches; Department I (production of means of production) and Department II (production of means of consumption). Obviously this distinction can be blurred (e.g. bricks for factories are in Department I whilst bricks for houses are in Department II), but a further, and more fundamental relation exists in terms of the expansion of production. The total annual product of society can be summarised in diagrammatic form in the following fashion.

Department I $I_c + I_v + I_s$

= total social product

Department II IIc + IIv + IIs

If we examine the relationship between the two departments it is clear that in order for the cycle of production to begin anew there must be some exchange of commodities between the two departments. The machinery or machine tools produced in Ic can be redistributed in the same department, but workers cannot be paid with the means of production represented by Iv + Is. Similarly, the constant capital in Department II (IIc) cannot remain in the form of consumer goods if it is to set in motion a new cycle of reproduction in Department II. On the other hand, the variable capital and surplus value (IIv + IIs) can be consumed by the workers and capitalists in that Department. From this it can be seen that the key to reproduction on this level is the exchange of the constant capital of Department II (in the form of consumer goods) for the variable capital and surplus value of Department I (in the form of machine tools). In other words the condition of equilibrium under conditions of simple reproduction (i.e. where there is a replacement of the total social product but not an extension) is that:

$$\text{Iv} + \text{Is} = \text{IIc}$$

But this is simply a heuristic device used by Marx to explain the workings of the capitalist economy. In real life all capital accumulation takes place under conditions of expanded reproduction (i.e. where there is an increase in the total social product). Nevertheless, as Marx maintained, the argument still holds good so long as the correct proportionality between the increased production of both departments is maintained.

"In production on the basis of increasing capital, $I(v+s)$ must be equal to IIc plus that portion of the surplus product which is re-incorporated as capital, plus the additional portion of constant capital required for the expansion of the production in II ; and the minimum of this expansion is that without which real accumulation, i.e. real expansion of production in I itself, is unfeasible."

(Capital Vol. II p.521)

Here Luxemburg takes issue with Marx. Marx was trying, at this point, to simply show how accumulation was possible. He did not say that there would not be crises caused by a temporary disproportionality between departments (e.g. such as in the development of new lines of production or agricultural crises such as harvest failures) but he did show that the central contradiction of the capitalist mode of production, its historical contradiction, could not be found in its process of circulation. Luxemburg could not agree to this because she did not accept that part of Marx's analysis where he said the contradictions of capital did occur - in the production process. Because she could not accept the tendency for the rate of profit to fall as the motive for capitalist crisis she had to go on to found a new breakdown theory.

"There can be no doubt that under capitalist conditions Department II is dependent on Department I in so far as accumulation is determined by the additional means of production. Conversely the accumulation in Department I depends on a corresponding quantity of additional consumer goods being available for its additional labour power. It does not follow, however, that so long as both these conditions are observed, accumulation in both departments is bound, as Marx's diagrams make it appear, to go on automatically year after year. The conditions of accumulation we have enumerated are no more than those without which there can be no accumulation."

(The Accumulation of Capital p.131)

Needless to say, Luxemburg went on to try to undermine these diagrams - an attempt, which had it succeeded would simply have proved that accumulation was theoretically impossible.

She proceeded to take several steps away from Marxism by asking: for whom does expanded reproduction take place?

"Who, then realises the permanently increasing surplus value? The diagram answers; the capitalists themselves and they alone - and what do they do with this increasing surplus value? - the diagram replies: They use it for ever greater expansion of their production. These capitalists are thus fanatical supporters of an expansion of production for production's sake." (ibid pp.334-5)

Why should be such a mystery to a self-proclaimed Marxist we cannot see. First, Marx (and not just Tugan-Baranowsky as Luxemburg would have us believe) did actually agree with the above statement which Luxemburg made sarcastically.

"The industrial capitalist ... as personified capital he produces for the sake of production; he wants to accumulate wealth for the sake of the accumulation of wealth."

(Theories of Surplus Value Volume I p.282)

But this is not all. Luxemburg herself was well aware of the "goad" (Marx) of competition in driving on the capitalists to further accumulation.

"Capitalist methods of production do more than awaken in the capitalist this thirst for surplus value whereby he is impelled to ceaseless expansion of reproduction. Expansion becomes in truth a coercive law ... Thus as soon as a few capitalist enterprises have been enlarged, competition itself forces all others to expand likewise."

(The Accumulation of Capital p.40)

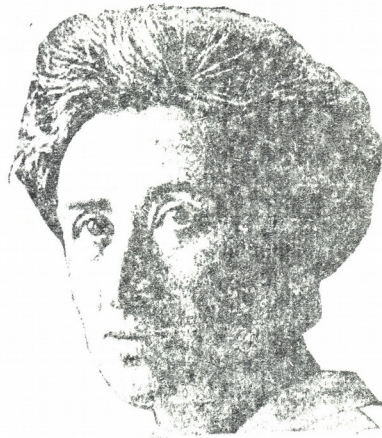
But this insight into competition by Luxemburg seems like an afterthought rather than an essential element of the nature of capitalist relations of production. After all she has already

discounted the law which is the motor force of capitalist competition. What forces capitalists to constantly revolutionise the means of production when each development further strangles the source of capital renewal?

"... a fall in the rate of profit calls forth a competitive struggle among capitalists and not vice-versa."

(Capital Vol. III p.256)

Thus, in chapter twenty-five of The Accumulation of Capital she adopts such an aggregative approach in her discussion of the relations between Department I and Department II and so overlooks the factor of competition that she makes some totally incorrect assumptions. She assumes that surplus value cannot be realised by capitalists within the same department. But in fact there is no reason why this cannot happen. For example, a capitalist producing food realises surplus value if a proletarian from a textile factory buys his products. Further, her denial of the movement of capital between departments and her failure to understand the nature of capitalist competition is a total denial of Marxism. For if, as Marx argued, the rate of profit tends to be equalised throughout the capitalist economy by competition, how can this occur in a system where there is neither competition nor the movement of capital between departments? (1)



Rosa Luxemburg

The method by which Marxist economic enquiry is carried out is by making valid abstractions from capitalist reality, but Luxemburg's abstraction is invalid as it fails to take into account the essential nature of the world she is supposed to be describing. This is because Luxemburg's method is not Marxism. She gives notice of this when she says that "desire" to accumulate is not enough, there also has to be an increase in "effective demand" (See page 131 of The Accumulation of Capital) for commodities. "Desire" is a strange enough piece of subjectivism for a Marxist

(1) Luxemburg quite often pays lip service to Marx's basic postulates and then proceeds to ignore them in practice. Not only on the question of competition (The Accumulation of Capital p.40) but also on the question of the equalisation of the rate of profit. On page 79 of the above she acknowledges its significance but on p.340 she denies its possibility.

but the search for "effective demand" puts Luxemburg in a new camp - that of the Keynesians.(1)

"The flaw in Marx's analysis is, in our opinion, the misguided formulation as a mere question as to 'the sources of money', whereas the real issue is the effective demand, the use made of goods, not the source of the money which is paid for them."

(The Accumulation of Capital p.155)

Luxemburg here is misrepresenting Marx's views. He is not interested in where the money comes from in order to realise surplus value but where the money comes from to exchange the total of commodity values. There is little excuse for Luxemburg here for Marx specifically states his aim.

"The only assumption essential here, that in general there is money enough for the exchange of the various elements of the mass of the annual reproduction, is not affected in any way by the fact that a portion of the commodity-value consists of surplus-value ... The question is therefore only; Where does the money come from to make possible the exchange of this total of commodity values? It is not at all; where does the money come from in order to turn the surplus value into money?"

(Capital Vol. II pp.477-8)

The preceding quotation of Luxemburg's raises a number of questions (apart from why Luxemburg misrepresented Marx) concerning her treatment of the money question. Marx, as we have shown, was merely asking where does the money material come from, therefore his answer is simple enough. It comes from the capitalists of the gold industry. Luxemburg treats this with scorn because she herself has misunderstood the question as asking where the effective demand comes from. We will deal with Luxemburg's preoccupation in a moment but first let us examine more closely her views on money.

She quotes with glee Marx's words in Capital (Volume II p.494) that "Money itself is not an element of real reproduction." but she fails to understand the significance of the remark. Money in itself is not an element of reproduction because it neither creates new value nor is it used up in the production process. Money is merely a particular form which commodities take in the process of circulation. "The common whore of mankind" (Marx quoting Shakespeare in Capital Volume I p.113), it is "the vehicle not only of its actual value but also of its ten-fold value, because it has turned over ten times a day, realised ten different commodity values." (Volume II p.494).

Luxemburg seems to think that for every increase in the commodity value there must be an equal increase in the money value. Yet Marx is quite specific that at any given moment not all commodities produced will be transformed into the money form of capital. Thus

(1) It is no accident that Joan Robinson, a Keynesian should find Luxemburg's theory "of the greatest interest" or that Luxemburg's main defender in the 20's (Sternberg) should become a Keynesian in the 40's.

a limited amount of money (a tenth, in Marx's example above) can serve to circulate commodities far in excess of its value by the same money passing through many hands and exchanging itself for numerous commodities. It is the speed of circulation of a certain mass of commodities which determines the mass of money required.

"The velocity of circulation, hence the number of repetitions of the same function as means of purchase and means of payment by the same pieces of money in a given term, the mass of simultaneous purchases and sales, or payments, the sum of the prices of the circulating commodities, and finally the balance of payments to be settled in the same period, determine in either case the mass of circulating money, of currency.

(Capital Vol. III p.445)

But Luxemburg erroneously attributes to Marx the view that the "entire social surplus value" (See The Accumulation of Capital p.302) would have to be equalled by the production of the gold diggers so she is able to present us with an absurd picture of a massive heap of gold being produced to equate itself to the surplus value in the heap of commodities produced by the other branches of production. Luxemburg's error is obvious. As Bukharin concluded:

"The entire amount of surplus value which is repeatedly produced must never be identified with the newly increased sums of money, since the process of realisation has no need of such a sum; equally the accumulation of capital must never be confused with the accumulation of money capital."

(Imperialism and the Accumulation of Capital p.185) (1)

Having exposed Luxemburg's inadequacies in this respect let us return to her Keynesian question of where the effective demand lies.

Luxemburg's solution to this non-question is as bizarre as anything written claiming the title of Marxism. She says that the increased consumption cannot be from the capitalists because accumulation proceeds because of their abstention from consuming the vast majority of the surplus value produced; and the increase cannot be provided by the workers, because,

"From the capitalist point of view it is plainly absurd to produce more consumer goods merely in order to maintain more workers." (op.cit. p.32)

Actually it is not absurd for the capitalists to increase production out of desire for personal gain. Though it is not the PURPOSE of accumulation, and though their consumption decreases relative to the increase in capital values, this consumption increases absolutely. Equally it is not absurd for the capitalist to expand variable capital (i.e. the working class) because

(1) This is the best critique of Luxemburg's economics known to us, despite the wretched conclusion which is a non-sequitur to the text.

accumulation could not proceed without it (unless all realisable surplus value was turned into constant capital - plainly an absurdity in itself). In reality capitalists man the additional capital by employing additional workers who also produce an additional demand.

But to follow Luxemburg's logic to the end, she finally reveals to us who the "real" buyers are. She tells us that both a realisation of the surplus value and accumulation are impossible in a purely capitalist society and that we must look outside the capitalist relation to pre-capitalist societies or pre-capitalist enclaves (like the peasantry). How these pre-capitalist areas can realise in money terms the surplus value produced by the capitalist Luxemburg circumspectly manages to avoid telling us. Her book is full of truisms concerning how these pre-capitalist areas first have a commodity economy forced upon them (that is if they did not have one already) and then a capitalist commodity relationship. But at the point when they play a role in the capitalist world market they themselves have become capitalist. It is not pre-capitalist tribesmen with cowrie shells or a subsistence peasantry that can solve the question of where does the money come from to realise surplus value; for what money do they have? (1) The commodity is still in the form of goods and so the C-M metamorphosis is not complete. Luxemburg's solution to her own question is thus no solution at all.

UNDERCONSUMPTION AND THE LAW OF VALUE

Hitherto we have only hinted at the fundamental error in Luxemburg's method as we have been attempting to criticise her argument. The remaining four sections of this article will be an attempt to spell out the consequences of non-adherence to the law of value.

To begin with Luxemburg regarded herself as putting forward a reasonably orthodox Marxist view (despite her obvious failure to accept the premises of Volume II of Capital). After all Marx had made statements which, when taken in isolation, would appear to reveal him as an underconsumptionist. For example, in the Communist Manifesto he talks of a crisis of a new type.

"In these crises there breaks out an epidemic that in all earlier epochs would have seemed an absurdity - the epidemic of over-production." (page 48)

And again in Volume III of Capital,

"The last cause of all real crises always remains the poverty and restricted consumption of the masses as compared to the tendency of capitalist production to develop the productive forces in such a way, that only the absolute power of consumption of the entire society would be their limit."

(1) She seems aware of this contradiction (see p.368 op.cit) but never attempts to solve it.

But these remarks (and others in similar vein) have to be placed in their true context of the capitalist relation of production.

"There are not too many necessities of life produced, in proportion to the existing population. Quite the reverse. Too little is produced to decently and humanely satisfy the wants of the great mass."

(Volume III p.257)

Capitalism is not interested in necessities of life per se, but in the maximisation of profit.

"On the other hand, too many means of labour and necessities of life are produced at times to permit of their serving as means for the exploitation of labourers at a certain rate of profit." (ibid p.258)

Profit, the rate of profit, and hence the law of value thus assert the restrictions of capitalist development. There are not too few labourers or too many productive forces in the world but there are too few productive labourers to create the necessary mass of profit needed to offset the decline in the rate of profit; and there are too many productive forces to be able to sell commodities profitably. The rise in the organic composition, the diminution of v in relation to c is the clearest expression of this relation. As Marx said when discussing the creation of the world market:

"The stupendous productivity developing under the capitalist mode of production relative to population, and the increase, if not in the same proportion, of capital values (not just their material substance), contradict the basis, which constantly narrows in relation to the expanding wealth ... hence the crises."

(ibid p.266- our emphasis)

Clearly this has little to do with Luxemburg's theory as she was looking outside the capital-labour relationship, beyond the realms where the law of value rules supreme, in order to find her saturated markets, her failure of the consumer.

To look at this empirically, Luxemburg clearly regarded the world market as saturated in 1913 because those pre-capitalist areas which were left were too small for world capital. This was in fact the basis for her explanation of imperialism.

"Its ultimate aim, that is to say, is to establish the exclusive and universal domination of capitalist production in all countries and for all branches of industry ... For capital the standstill of accumulation means that the development of the productive forces is arrested and the collapse of capitalism follows inevitably, as an objective historical necessity. This is the reason for the contradictory behaviour of capitalism in the final stage of its historical career: imperialism." (op.cit. p.417)

But in 1913 the whole of India, China and huge areas of the rest of the globe were still largely pre-capitalist (i.e. in Luxemburg's

terms they were outside the wage-labour - capital relationship though we would say that they were formally dominated by capital) and even today over half the world's population is not contained within the wage-labour relation. How then can Luxemburg's theory explain the growth of capitalism after 1918 or after 1945? Only by saying that markets were not saturated in 1914 and therefore that capitalism is not yet decadent. Pannekoek, when he became a Luxemburgist took the view to its logical conclusion by arguing in the 1940s that the revolution was, as yet, still some time away because there were still too many areas outside capitalism.

"The hundreds of millions crowding the fertile plains of China and India once drawn within the confines of capitalism, its chief work is accomplished ... Then its further expansion is checked ... then the mutual fight of capitalists for world domination becomes fiercer, with new world wars impending." (Workers' Councils p.93)

"Saturated markets" is thus a rather unconvincing explanation for the reality of capitalist decadence. With this view markets appear saturated (as in 1914) but then they are not (as in 1945). This is hardly a materialist analysis and it is clear that whilst a theory which is as concrete to grasp as Luxemburg's could be useful polemically (if it was not so contradictory), it obviously cannot explain the real movement of capital. A value analysis can explain why accumulation can be arrested, and why, after a crisis, it can then proceed. Each crisis leads to a devaluation of constant capital, thus raising the rate of profit and allowing the cycle of reconstruction - boom - slump - war to be repeated once again. (1)

IMPERIALISM

Luxemburg's theory of imperialism will be dealt with more fully in a text to be published later this year on imperialism in general. Here we will confine ourselves to a brief summary of the main points.

First, her rationale for imperialism based on "saturated markets" is extremely weak and inadequate. If, as Luxemburg admitted (See, for example p.358 of The Accumulation of Capital) the capitalist metropolises still contained pre-capitalist enclaves (e.g. serfs, peasants) why does capitalism have to expand overseas and away from the capitalist metropolises from the very beginning of its existence? Why doesn't it first bring all the areas closest at hand within the capital - wage-labour relationship if it merely seeks for new markets? The explanation is to be found, not in the need for new markets but in the search for essential raw materials and the maximisation of profit. Second, Luxemburg's theory implies that imperialism is a permanent characteristic of capitalism. As capitalism, for Luxemburg, has always sought to extend the market in order to accumulate, her theory cannot distinguish between the original expansion of trade and money economies at the dawn of

(1) See "The Economic Foundations of Capitalist Decadence" in Revolutionary Perspectives 2 for a fuller explanation.

capitalism in Europe and its later imperialist expansion. In her view Portugal and Castile must have been the most advanced capitalist powers in 1620. Mercantile capital was necessary for the original accumulation of capital but this is a qualitatively different phenomenon from the capitalist drive to accumulate once it is established as the dominant mode of production. But for Luxemburg,

"Trade capitalism and mercantilism, industrial capitalism and liberalism, finance capital and imperialism - all these phases of capitalist development disappear or dissolve into capitalism as such." (Bukharin op.cit. p.253)

Third, on an empirical level, whilst it is difficult to see how colonial plunder of the 17th and 18th centuries and the increasing volume of trade between developing European capital and the colonies (largely luxury goods or slave traffic) can be the result of overproduction, the evidence for "saturated markets" as the rationale for late 19th century imperialism is equally weak. Luxemburg claimed that "Internal capitalist trade can at best realise only certain quantities of value contained in the social product" (op.cit. p.366) yet the following table clearly shows that at the time she was writing the vast majority of capitalist trade was with other capitalist countries.

TABLE OF EXPORTS 1900-10s (%)

	to: <u>Europe</u>	<u>Aus/NZ/Canada</u>	<u>USA</u>
Britain	35	18	n.a.
USA	70	15	-
France	60	-	n.a.
Germany	45	-	n.a.
Japan	20	-	30
Russia(1913)	75	-	n.a.

(Source: Barrat-Brown The Economics of Imperialism pp.168 & 190)

Furtherm in the chapters in which Luxemburg seeks (we presume) to validate her theory by historical examples (see Chapters 27-30) she gives us plenty of moral outrage but no proof of the value of the areas mentioned as markets. Indeed, on pages 412-3 imperialism in South Africa is after "labour power", "diamonds" and "gold".

Finally, Luxemburg's theory of imperialism falls down on the money question. Having apparently realised in Chapter 30 that pre-capitalist tribesmen and peasants do not have any money to realise the surplus value contained in the commodities looking for realisation, she decides to let the capitalist first give it to them in the form of international loans (see The Accumulation of Capital p.p 427-9). She says that these loans are repaid either by taxation or, as in the case of the Suez Canal, by forced labour. But this is no solution. First, where do pre-capitalist elements get money to pay taxes and second, how does forced labour create a market? Nor are we told of any previous sale of commodity values by the pre-capitalist elements to the international capitalist.

According to Luxemburg therefore, capitalism is buying its own surplus value with its own money, or more pointedly, it is simply giving away commodities to extend an ideal mode of production. If capitalism was as generous as this view makes out it would seem to be a mystery why it has not succeeded in developing the world through international loans.

Only the law of value can explain why capitalism is today in its death throes and yet it has failed to develop the vast majority of the globe. Why aren't these areas furnishing a pre-capitalist market? The answer to this lies in the arguments we have posed above. Capitalism is no longer interested in developing such areas because to do so would be unprofitable.

"Capital stagnation cannot have physical causes, for the the existing material forces of production and labour power are not altered by the crisis. Nor can it find its cause in a material overproduction by the means of production, for in this respect the world is obviously undercapitalised; not enough means of production exist to satisfy even the minimal needs of the world's population. The turn from prosperity to depression can only be explained as a shift from a sufficient to an insufficient profitability of capital."

(Mattick Marx and Keynes p.70)

But Luxemburg was not interested in the shift in value relations; not only did she make the bulk of Marx's work appear irrelevant but she also made it quite clear that empiricism was enough for her.

"Whatever the theoretical aspects the accumulation of capital as an historical process depends in every respect upon non-capitalist strata and forms of organisation."

(op.cit. p.366 Our emphasis)

Having already abandoned the law of value it now seems as though Luxemburg wants to abandon theory as well. It therefore comes as no surprise to learn that her inspiration was derived less from Marx than from the early nineteenth century economist Sismondi. Lenin's description of Sismondi's theory will have a familiar ring to Luxemburgists.

"Sismondi asserted that as a result of the development of large-scale enterprise and wage labour in industry and agriculture, production inevitably outruns consumption and is faced with the insoluble task of finding consumers; that it cannot find consumers within the country because it converts the bulk of the population into day labourers, plain workers and creates unemployment, while the search for a foreign market becomes increasingly difficult owing to the entry of new capitalist countries into the world arena."

(A Characterisation of Economic Romanticism p.7)

Whilst she described him as having "the interests of the proletariat at heart", Lenin and Marx (as Luxemburg knew) were unanimous in denouncing him as a "reactionary and Utopian" (Communist Manifesto p.81)

STATE CAPITALISM

The CWO has written on a number of occasions on the tendency towards statification, which is the tendency of global capitalism in its decline as a social system, and which must be located within the trajectory of capitalist development itself.(1) We therefore do not intend to repeat all the points made in these articles. Rather we will look at the compatibility of both Marx's theory and Luxemburg's theory to deal with a reality which neither of them lived to see.

The Marxist explanation was put forward in Revolutionary Perspectives 1 but stating the case briefly, we see that an active state intervention in the economy is needed when the lack of surplus value becomes chronic; the mechanisms for the equalisation of the rate of profit throughout the capitalist economy go into disarray and the industries with the highest organic composition of capital (coal, steel, etc.) which are vital to the existence of the economy have a tendency to collapse, putting the whole capitalist economy in peril. In fact one could go as far as to say that the non-functioning of the mechanism for the equalisation of the rate of profit is the main feature of decadent capitalism:

"Totally incorrect too is the assertion that under our present economic system ... the law of value regulates the "proportions" of labour distributed among the various branches of production.

If this were true it would be incomprehensible why our light industries, which are the most profitable, are not being developed to the utmost, and why preference is given to our heavy industries which are often less profitable, and sometimes altogether unprofitable."

(Economic Problems of Socialism in the USSR, Stalin p.27)

These economies, whether in the fully statified form of the East or the Keynesian form of the West, are an attempt to solve the problems created by the law of value within value production itself. In no way is the commodity character of labour power altered and hence exploitation takes exactly the same form as it always has done under capitalism.

Such a clear and cogent explanation of state capitalism is not possible on the basis of Luxemburg's theory, and it is not surprising that attempts by Luxemburg's heirs today to argue her case have been either feeble or non-existent. We will look at these briefly below but first we will have another look at

(1) See "Theories of State Capitalism" in R.P. 1; R.P. 2 pp.43-50; R.P. 7 will also contain an analysis of capital's crisis in Eastern Europe.

Luxemburg's views.

The central viewpoint that Luxemburg clings to is her view that all commodities must pass via the market before all the surplus value contained in them can be realised and accumulated. To quote an example,

"This surplus value can be of no use to the capitalist so long as it remains hidden in the commodity form of the product. Once that commodity has been produced, it must be realised, it must be converted into a form of pure value, that is into money." (op.cit. p.38)

Once again Luxemburg reveals her confusion on the nature of money. It is not "pure value" but a special case of the commodity form, the universal commodity which effects the exchange between all others; gold, and not super-tankers operate as money for reasons of convenience, not because it is pure value.

After this pure nonsense, Luxemburg's theory cannot cope with a system where the state functions as the "collective capitalist", and where exchange can take place via equivalent values and without each commodity passing through the C-M cycle or, as Marx would have said, presupposing the "ideal" existence of money. Thus in Russia, for example, though the product of Department II passes through the C-M cycle, the bulk of those of Department I do not, and the state delivers means of production in exchange for equivalent commodity output. If we deny that these are commodities, or that they contain surplus value realised and capitalised without assuming the money form, we are denying the commodity character of the bulk of production in Russia et. al. and thus are accepting the Stalinist view that state capitalism equals socialism.

However, our Luxemburgists do not base their understanding of the capitalist nature of Russia on any internal dynamic like the law of value, but on Luxemburg's view that:

"Internal capitalist trade can at best realise only certain quantities of value contained in the social product ... That part of the surplus value which is earmarked for capitalisation must be realised elsewhere."
(Luxemburg op.cit. pp.366-7)

Thus, the U.S. publication of the International Communist Current (ICC) claims that:

"... the impossibility of realising the capitalisable portion of surplus value within ones own borders compels the state capitalist society to expand beyond its frontiers and seek outlets on the world market."
(Internationalism 2 p.38)

In the first place, as we argued at greater length in Revolutionary Perspectives 1 (pp13-14) the accumulation of capital in Russia between 1921 and 1941 proceeded precisely within the closed system

which the Luxemburgists deny. In this period Russia's economy grew quicker than at any other time, yet foreign trade at this time amounted essentially to imports of manufacturing and agricultural machinery which was paid for by interest-bearing credits and the export of gold, jewels and art treasures. The export of goods of Department I and II via the credit system was so tiny as to be negligible, yet accumulation proceeded.(1)

In the second place, Luxemburgists could fall back on the defence that Russia's rapid accumulation in this period was due to the large number of peasants within the country acting as an "external market" to Russian capitalism. But if they do this, then once again, they are denying that state capitalism is the clearest manifestation of decadent capitalism, and ergo that capitalism is not decadent even in 1939. If decadence, in the Luxemburgist schema comes about when all "pre-capitalist markets" are exhausted on a global level then equally this must hold true for every national capital, Russia included. Luxemburg's argument about "external" trade applies to global capital, but under decadence her argument must also apply to national capitals. Obviously, under ascendant capital, "pre-capitalist" outlets might have been found within the national capital (e.g. peasants, tribesmen) and accumulation in the Luxemburgist sense could have proceeded internally. But if "pre-capitalist" outlets for the individual units of global capital can still be found within their respective national capitals, clearly capitalism cannot be decadent. Therefore a corollary of decadence for the Luxemburgist must be that "internal" accumulation is now impossible for each national capital taken individually. Its historical occurrence would prove either a) the existence of "pre-capitalist" areas on a large scale and hence no decadence or b) the inadequacy of Luxemburgist economics.

In reply to this we have heard nothing from either of the avowedly Luxemburgist groups, the ICC or PIC. The former have attempted to disguise their theoretical nakedness by equating the growth of stratification in the twentieth century with that of decadent societies in all epochs (See their pamphlet The Decadence of Capitalism p.8 and p.12.), so that in a thirty-three page pamphlet we are not offered a single economic reason for the appearance of this "striking manifestation".(2) The PIC are far more honest in their Luxemburgism, but their barrenness on this question is shown in Jeune Taupe (Nos. 5 and 6) where in two articles on Comecon we are given lists of facts without any kind of theoretical framework. Neither tendency has proved the intrinsic state capitalist nature of Russia et.al. on the basis of

(1) We do not mean here primitive accumulation - Russia had already completed this stage and in 1914 was one of the leading capitalist states.

(2) Though we are told on page 12 that state capitalism in "young capitalisms" today is caused by the internal contradictions of the system. Precisely what these internal contradictions can be for a Luxemburgist we are never told.

Luxemburgist economics and their writings have been confined to windy rhetoric.

WASTE PRODUCTION AND VALUE THEORY

If there are those who have followed the argument so far but still cling to the illusion that Luxemburg somehow did hold to value theory, then the last chapter of The Accumulation of Capital should dispel it. The chapter is entitled "Militarism as a Province of Accumulation". In it she says "we have again and again refused to consider the state and its organs as consumers" (page 454). This we would assume to be logical - of the total product it is obvious that the support of the state is a cost of production, its income deriving from the pool of surplus value. However, though she refused to consider the workers as consumers before, she now says that taxation of v (the variable capital apportioned to the workers) provides extra surplus value for capitalisation.

"But as yet no opportunities for such capitalisation have come into being, no new market, that is to say for the surplus value that has become available, in which it could produce and realise new commodities. But when the monies concentrated in the exchequer by taxation are used for the production of armaments the picture is changed." (Luxemburg, op.cit. p.456)

Armaments production is thus for her a "third buyer", "it is a pre-eminent means for the realisation of surplus value; it is in itself a province of accumulation." (page 454)

But what new value has Luxemburg suddenly discovered that she never saw before? The answer is that she has not discovered any at all. Luxemburg has mistaken revenue (in this case taxation) for the creation of new value. It is paid for by taxation (in that respect she is correct) but this must be taxation of the already existing surplus value of other industries.

To illuminate this point we must understand what productive labour is. Productive labour, according to Marx, is that labour which produces surplus value for capital as a whole, is labour whose product can be incorporated in a new cycle of production, either as means of production (e.g. machine tools) or as means of consumption (e.g. food, clothing) which maintain the working class.

"If accumulation is to take place, part of the surplus product must be transformed into capital. But short of a miracle only those things can be transformed into capital which are utilisable in the labour process (i.e. the means of production), and in addition such articles which are suitable for the maintenance of the worker (i.e. the means of subsistence). Consequently, part of the annual surplus labour must have been applied to the production of supplementary means of subsistence, over and above the quantity that was requisite for the replacement of the capital advanced. In a word, surplus

value is only convertible into capital, because the surplus product whose value it is, already contains the material constituents of new capital."
(Capital Vol. I p.638)

But whilst machine tools and food production already contain "the material constituents of new capital", what part can arms play in the formation of new capital? They can neither be used to create new means of production nor can they be eaten by the proletariat. True, guns used for hunting food is a productive use of weapons but this is marginal to their production.(1) Thus the Marxist definition of waste production does not depend on a moral judgement but on the scientific measure of whether new value for total social capital has been created.

"Only bourgeois thick-headedness, which regards the capitalist forms of production as absolute forms, hence as natural, eternal forms of production, can confuse the question of what is productive labour from the standpoint of capital with the question of what is productive labour in general, and consequently fancy itself in everywise in giving the answer that all labour which produces anything at all, which has any kind of result is ipso facto, productive labour."

(Theories of Surplus Value ed. Burns, 1951 p.178)

This is not to deny that the individual arms firm, like Vickers, does not make a profit when it sells tank recovery vehicles to Iran, but the payment from the Iranians comes from the surplus value created by the Iranian working class. In this sense the Vickers production has not only not increased the surplus value at the disposal of capitalism but has even caused one section of world capital to squander surplus value on commodities which cannot re-enter the productive cycle. Luxemburg therefore, has found new value where there is none.

Turning to our present-day defenders of Luxemburg, we would expect them to also hold to Rosa's view. With the PIC this is true. In their document "La crise du capitalisme et ses implications" (written for a meeting with the CWO October, 1975) they produce an exact replica of Luxemburg's argument, claiming that arms production is productive for capital. Paradoxically, however, they state that this production which is supposed to be a way out for capital "provokes a super-exploitation of the workforce" (via taxation) which will thus revolt against capital. This non-sequitur is obviously stuck in to avoid the criticism that by seeing arms production as productive for capital, the PIC is preparing for an unlimited period of reformist activity. In practice the PIC's activities have depended on a voluntarist perspective which says that the working class will be (or should be!) so appalled by the consequences of expansion on the basis of militarism that they will seek to revolt in order to

(1) And the crackpot scheme to create harbours in Australia by the use of atom bombs has been shelved until a "clean" bomb can be found.

avoid a third world war.

So much for the PIC, but what of the ICC? In their major work on decadence (cited above) we find that Luxemburg provided "the clearest statement about the fundamental origins of the decadence of capital to this day" (page 3). In fact, so clear do the ICC find her that she is quoted only once (in the introduction) and never referred to again. Indeed, the theoretical authority used is Fritz Sternberg, a Keynesian, whom the introduction apologetically tells us was a supporter of the Labour Party. Sternberg is excused in the following terms:

"But while a recognition of the decay of capitalism is absolutely necessary to any communist practice today, it alone is not enough." (page 6)

To which we wholeheartedly agree - as we hope we have shown so far no explanation of capitalist decadence can be adequate unless it is based on value theory itself. And in the last analysis the ICC seems to agree, for when we reach the section on militarism, accumulation and productive and unproductive labour, we find a clear change of method. Gone is the half-hearted empiricism whose sole proof for capitalist decadence on the basis of "saturated markets" lies in quotations from eminent spokesmen of the bourgeoisie like Roosevelt, Hitler and Goering. In place of methods of pure empiricism we have an excellent analysis, which not only returns to Marx (for the first and only time) but also proves that armaments a "pure loss for global capital" (p.25) and that arms production "is not a solution to crises" (p.30). Indeed, they provide an excellent case against Luxemburg herself.

"Its role (i.e. arms production) as an economic stimulant has made certain analysts conclude that the development of the armaments industry was the result of the conscious decision on the part of the capitalists to create an artificial outlet invented to fill the needs of an economy constantly threatened by suffocation due to lack of markets." (op.cit. p.30)

The ICC do not tell us who these analysts are, nor do they admit that these positions, correct in themselves, are totally opposed to the framework of Luxemburg. Instead we are given a dishonest, eclectic account which bases itself on shallow empiricism, abandoning it as soon as it becomes inadequate.

We do not simply uphold the view that capitalist crises are the product of the tendency for the rate of profit to fall as against the alternative of saturated markets as posed by the Luxemburgists. In a larger sense, we hold all manifestations of the real world can only be understood by an analysis of their relation to the production of value.

Our insistence on the necessity for an understanding of the law of value is no mere piece of arid scholasticism, nor is it simply

a defence of Marx's graven tablets (though we find them eminently defensible, having a coherence based on the law of value). Rather, it is an essential pre-condition of communist politics. Whilst theories about saturated markets, or the capacity for resistance of the working class have a greater immediate appeal, and are therefore superficially easier to comprehend, there can be no royal road to an understanding of capitalist contradictions. This understanding is the only basis for our actions if we are not to sink into voluntarism or despair. We must first understand how the law of value operates before we can begin to destroy it.

Note on Sources

As the argument is based on textual interpretation in many places these can be checked in the following editions.

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Capitalism in Black Africa

Sub-Saharan Africa has again become the scene of violent inter-imperialist rivalries, which echo the scramble for Africa at the end of the last century. The focal point of the clash between the two major powers, the USA and Russia, has moved in the past few years from South-East Asia to the Middle-East, and now, for the moment, to "black" Africa, the most wretched area created by the decay of capitalism. This is a continent where the vast majority of the population live on less than £100 a year, and where endemic diseases like protein deficiency and sleeping sickness reach epidemic proportions, (estimated at an average of two infections per person in the continent!). Let us look at the economic "development" of the area, which has spawned such a sea of misery.

TRIBAL SOCIETY IN AFRICA.

The racist image of Africa before colonisation, is of small groups of hunters and gatherers, living in the jungle, and generally cannibals. In fact, by about 1,000 A.D., the vast majority of Africans lived in proto-states, or rather tribal federations, run by kings and religious and tax collecting elites. In these states, the domestication of animals, making of cloth and working of metals was generally practised, and although some exchange of commodities did exist, we are justified in saying that the societies were nevertheless still in the stage of "primitive communism".

Private property in land did not exist; village headmen gave out to families what they needed to support them, and uncultivated land returned to the tribe; forests and rivers belonged to the tribe and were used communally.

"Not having many opportunities for turning to advantage superfluous produce of their labour, the natives are content with cultivating as much ground only as is necessary for their own support." (1).

was how Mungo Park describes the situation he found in West Africa as late as 1795. In the crafts as well as agriculture, production was mainly for consumption, to be exchanged or bartered with other tribe members for the means of subsistence.

(1). Mungo Park Travels in the Interior of Africa (Everyman Edn.) p 215. Space forbids a fuller discussion of the issue of primitive communism. For an outline, see Engels' Origin of the Family, Private Property and the State.

What little trade did exist, was in essentials like salt, not locally available. The division of labour was very limited, for example men weaving while women did the spinning. But production was not for accumulation, it stopped when enough had been done to assure the necessities of life. This was even the case with the use of slave labour.

Slavery had existed in Africa from the earliest times; as soon as agriculture is developed the killing (and occasional eating) of the captives of tribal war gives way to slavery, since it is now economical to put a captive to work. Though slavery is in this sense (both materially and morally) progressive, under primitive communism it is still only a minor appendage to the forces of production, and not the cornerstone of them, as for example in ancient Rome. The product of the slave in Africa did not become a commodity.

For many centuries, European influence on Africa was much less important than that of the Arabs, filtering southwards across the Sahara. Traders from Britain, Portugal and other countries crept along the African coast from the late 15th. century, but their main interest was in a sea-route to India. For centuries trade with Africa was limited to the exchange of fairly small amounts of gold and ivory for alcohol and weapons (the trade itself often remaining in the hands of natives). Penetration of the continent did not go more than a few miles inland from the trading posts. The factor which changed this (ie., the slave trade) shows that once a world market exists, the evolution of specific modes of production cannot be explained in terms of any inner dynamic alone, but must also be sought in terms of its (often enforced) relation to, and domination by, this world market.

The slave trade from Africa to north and south America, which resulted in the shipment of at least 6,000,000 slaves in the 18th century, resulted from the development of cash crops in the Americas, such as sugar, cotton and tobacco, for the expanding capitalist markets of Europe. Due to the relative productivity of the soil in Africa, a surplus of slaves existed above the needs of agriculture. Initially, tribal chiefs sold slaves to European merchants on a casual basis in exchange for guns etc., but as the price for slaves rose, the chiefs began to organize raids on neighbouring tribes to procure slaves, or even to enslave their own people, and organize regular slave caravans to the coast. Apart from in Portuguese Angola, Europeans played little role in the slave trade except as purchasers, and even the slave trade led to little penetration of the interior of Africa before 1800. However, the ruination of handicrafts, depopulation and havoc caused by tribal warfare, and internal corruption of the society by the slave trade, ensured that the eventual colonisation of Africa would be child's play. (1)

(1) For a brief outline of Africa prior to colonisation, see, R. Oliver and J. Fage A Short History of Africa (Penguin).

THE SCRAMBLE FOR AFRICA AND COLONIAL REGIMES.

Prior to 1880, little of Africa had been colonised, and still little was known about the interior. Portugal held coastal regions in Angola and Mozambique, Britain was pushing north from the Cape, and along with France, held trading enclaves in west Africa. After the suppression of the slave trade, its place had been taken by the expansion of exports of precious metals, ivory, and by crops such as nuts, palm oil and cocoa grown by native peasants; but this was still very small in terms of value (less than the slave trade at its height), and involved only a tiny minority of the population. The majority still lived as they had in Park's time, in subsistence.

The next few years saw Africa being carved up, with lightning speed, by the capitalist powers, and the material basis of this scramble must be sought in the general urge to imperialism at this time, which itself reflected problems of domestic capital accumulation. Briefly, the fall in the rate of profit in the "Great Depression" after 1873, led to the urge to export capital, seek cheap raw materials and labour, and new markets as countries reacted to fiercer competition by erecting tariff barriers. Imperialism is a many-sided and general phenomenon, and the so-called "scramble for Africa" must be seen as a moment in the overall imperialist competition between the capitalist powers.

The scramble was undoubtedly motivated by aims of economic gain; in the bulk of cases these proved meagre or illusory, but to argue back from this that the motive was not economic, is faulty logic. (1). The scramble started in earnest with the British take over of Egypt to protect the Suez Canal (and to make sure Egypt paid its debts, which were in default) in 1882. This was followed by a German grab of a "place in the sun", by annexation of Tanganyika, Kamerun and South-west Africa. France proceeded to acquire the bulk of west Africa, in the illusory hope of turning it into a "French India", while Portugal expanded its colonies and proceeded to turn them into forced labour camps, producing cheap raw materials for the domestic economy. The Belgian acquisition of the Congo was a prelude to its conversion by Leopold into a vast rubber plantation, where the tribesmen were forced to collect the valuable material, and subjected to horrible mutilations for refusal to comply. In the south of the continent, the dizzying British advance from the Cape was primarily motivated by the desire to seize the richest mineral belt in the world; the diamonds, gold and copper of southern Africa, opened up by British capital.

Despite the Berlin Conference of 1884, which had tried to reach a peaceful partition of Africa, the speedy scramble produced

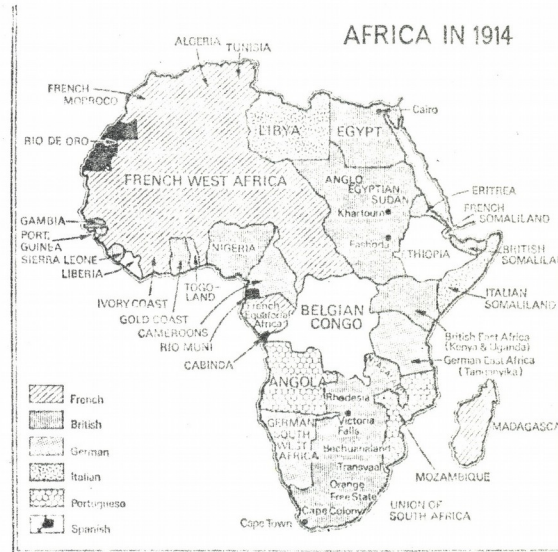
(1). For an account of the "economics of partition", see the excellent general economic history of Africa. Africa and the World Economy by J.F. Munro (1976) Ch.3

imperialist clashes, leading almost to war at times; the Fashoda incident between Britain and France in the Sudan, rivalry between Britain and Germany at the time of the Boer War, and the Moroccan crises in the years before the First World War. The 'internal' colonisation was less troublesome; apart from the Zulu and Ashanti 'wars', there was little native resistance. Incapable of uniting amongst themselves, and hopelessly at a disadvantage militarily, they were powerless to resist the carve up.

The colonisation was carried out in ignorance of Africa. The new 'states' cut across tribal and economic regions, and produced weird geographical quirks, eg. the Caprivi strip and Katanga salient in south-west Africa and the Congo, to ensure both Belgium and Germany of access to the copper belt of the Rhodesias.

Economically, the colonial domination of Africa followed a fairly set pattern over the next half-century. The initial expectations of Africa as a huge market were speedily dashed. The African colonies took well under 1% of the exports of their parent countries up to World War One; pre-capitalist areas cannot serve as a market for capitalist goods. (1). The expectations of unlimited supplies of cheap labour also proved disappointing; Africans were unskilled and unwilling to engage in wage-labour. (Living in subsistence, they had no need to).

Despite these facts, there was some economic integration of Africa into the world economy by 1914. The division of Africa into a small sector producing cash crops for the capitalist heartlands, and a much larger sector living in a worsening condition of subsistence agriculture, (which has eventually to be supplemented by seasonal labour) is firmly established in the period leading up to 1914. Over Africa, the best land was turned over to the production of crops like tobacco, coffee, :



(1) For an explanation of this point, see the previous article.

and palm oil. Incidentally, not all of these were owned by white settlers, or international companies; in west Africa especially, both the production and distribution of cash crops remained in the hands of African petty-bourgeois elements, who only turned their produce over to international capital at the ports of Africa.

For the subsistence peasantry life continued much as before, apart from the suppression of tribal warfare and polygamy. The colonial powers ruled through the chiefs to ensure submission, and a disguised form of forced labour for public works helped keep administration costs low; taxes were imposed on the peasants, which they had no money to pay, and commuted for labour services. As this sector contained the majority of Africans, it can be seen how little destruction of pre-capitalist Africa there had been by 1914.

The limited cash crop production we have mentioned was hardly the imperialisms' main interest in Africa at this period. Although capitalism was slow to invest in black Africa, there is no doubt as to where the bulk of investment went,

"Prof. H. Frankel in 1938 published figures for the capital so far invested in Africa south of the Sahara. Of the estimated total of £1,222,000,000, no less than £555,000,000 had been invested in south Africa. A further £102,000,000 had been invested in the Rhodesias, and £143,000,000 in the Congo. In other words, two-thirds of European investment had been in those countries whose economies were based on mining." (1).

The flow of minerals from these enclaves of development had little effect on the African economy, since they employed so little labour, produced no commodity that could be sold locally, and were tied to the capitalist metropolises.

Africa's interest, then, was as a source of minerals, and to a lesser extent agricultural cash crops, for the imperialist powers who controlled it. The impact of such needs on the economic condition of the mass of the population remained marginal; most carried on living as subsistence peasants, and even as late as 1930, there were only 60,000 Europeans living between the Sahara and the Limpopo! Africa was very much an imperialist side-show, and profits extracted from it remained low for most of the colonial capitals, barring those which held the mining regions.

With the onset of the economic crisis in 1929, the main colonial powers, France and Britain made new efforts to exploit their possessions, by schemes of "colonial preference". Attempts were made to increase cash-cropping, investments were made on 'public works', and attempts to create "free-trade" areas within the

(1). A Short History of Africa Oliver and Page, p222.

respective Empires occurred (eg. Britains Ottawa Agreements of 1932). But these efforts met with little success, and Africa had to await the coming of the second imperialist war for its economic "recovery".

How then, was it possible for these colonial areas to "throw off the imperialist yoke"? Quite simply, it has not been, as will be seen when the material basis of the "decolonisation of Africa" is grasped.

In a situation where a world market exists, dominated by several advanced capitalist powers, (or by blocs of them), new nation states cannot go through a more or less independent evolution towards capitalism, as was once possible. In contrast to Britain, the USA, Germany etc., who industrialised faced with few competitors, and a world wide open for conquest, backward states today face already established competitors. To be able to compete, they face the leap, not from the water wheel to the steam engine, but from the water wheel to the nuclear reactor, and without the centuries-long easing in period of primitive accumulation that served as a springboard for the existing capitalist powers. Of all the areas subject to the formal domination (1) of triumphant capitalism, this is most true of black Africa, which has a low level of native technology, and little tradition of commodity exchange. In situations like these, national independence (of pseudo-states fashioned by imperialism) becomes a meaningless phrase, and the real meaning of economic development is revealed as the planned generalisation of human misery. Only the proletarian revolution can free these regions from the impasse they face.

FROM INDEPENDENCE TO IMPASSE.

The material basis of the supposedly progressive and anti-imperialist movements in Africa after 1945, was undoubtedly the boom in the prices of raw materials and cash crops brought about by the imperialist war itself. This the longest "commodity boom" in history, lasted till the end of the reconstruction period in the mid 1950's. This boom was only possible because the imperialist powers were sacrificing all in a life or death struggle, and hence tin, rubber, foodstuffs fetched astronomical prices. Those who raise the absurd argument that the working class "benefit from the exploitation of the colonial peoples", should realise that such logic also means that the colonial peoples "benefitted from the massacre of the European workers in World War Two". That capitalism in Africa did "benefit" from the war is in no doubt,

(1). By "formal domination" we mean that an area, or mode of material production, though not actually itself producing the wage-labour capital relationship, nevertheless has its potential for action or development circumscribed, or dictated by capital via the world market.

" (During World War Two), there was a greatly increased demand for the strategic raw materials Africa could supply, and the colonies suddenly became of immense economic value.....

Moreover, during the war and up to the 1950's, European industry was unable to supply the African territories with all the manufactured capital and consumer goods their greatly increased purchasing power could buy. Many colonies were therefore able to build up substantial credit balances in Europe." (1).

The credit balances built up on the basis of this ghoully boom led to the emergence of nationalist sentiment amongst the European trained African elite, who themselves were excluded from the upper echelons of colonial administration. They were able to mobilise the opinion of the petty bourgeois commodity producers behind them, especially in west Africa, where this class was most developed, eg. the cocoa growers of the Gold Coast, now Ghana, where nationalism first emerged. (2). Additionally the greatly weakened place of Britain and France viz. a viz. the USA, which emerged from the war as the most powerful imperialism by far, favoured decolonisation; opinion in the USA wanted the destruction of colonial and tariff barriers to American capital, to see if it could exploit the area more efficiently than its predecessors. In the 50's and 60's, Africa was decolonised, in a process as swift as the initial colonisation, and hardly any more bloody. From this time, American capital has been slowly penetrating black Africa, though it is not a US colony to the extent of Latin America; the former colonial regimes retain the bulk of their economic interests, and have now saved themselves their former administration costs into the bargain.

The general belief of the new African ruling classes, was that the boom in raw material prices was permanent. Funds raised from cash-crop production, or taxation of the mining companies, would be re-invested in the creation of an infra-structure and then an industrial economy. Actually, even while the good years lasted this was not the case; from 1945-60, Africa actually became more monocultural. The expansion of cash crop production was expected to boost earnings, yet its main effect was to lower prices as supply exceeded demand; this is the dilemma of the cash crop sector in Africa. Beyond a certain limit, production cannot be profitably expanded, as increased output fails to compensate for falling prices. In addition the turning over of subsistence land to cash crop production lead to a decline in the area under food production, leading to the need to actually import food. The absurdity of decadent capitalism in Africa, is that despite the fact that the vast majority of the land and people is given over to food production, Africa cannot feed itself. According to Fordham,

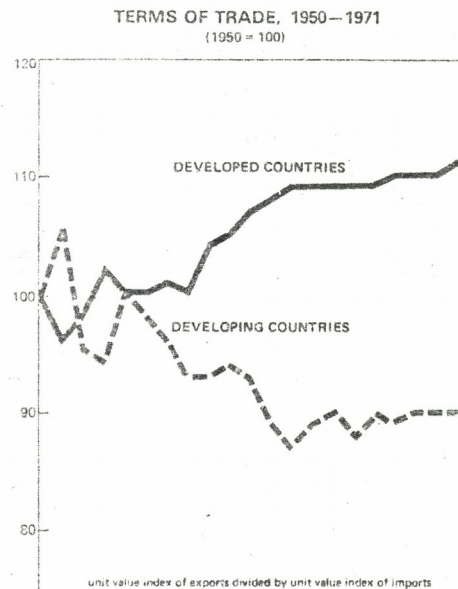
(1). Oliver and Page Op. Cit p224.225.

(2). Fixed prices paid to peasants actually robbed them of the bulk of increased commodity prices during the war. A form of forced saving, it benefitted Britain till 1945.

" Over the whole of tropical Africa, between two-thirds and three quarters of the cultivated area is still used for subsistence production." (1).

-in Angola 80% of the population is still outside the money economy, in Ethiopia over 90%. In the reserves or tribal areas the old shifting agriculture is now impossible; it runs up against the boundaries of private property outside the tribal area, and internally population growth -Africa's population has almost doubled since 1945- leads to over cropping/grazing and soil erosion. Lacking the capital or skills to improve the agriculture, the men are forced to take upseasonal or contract labour, often hundreds of miles away. The alternative is to drift townwards to swell the casually employed lumpenproletariat. The development of industry is so limited that it cannot possibly absorb the rural relative over-population; neither can this sector switch over to cash-cropping. Even could they overcome the problems of having no capital and the worst land, their additional produce would either remain unsold, or simply force down the general level of prices.

The expansion of cash-cropping after the war illustrates this. The decline in food production, and need to pay for imports, led to the need to step up further cash-cropping. With monoculture comes decreased fertility, liability to pest damage etc., leading to the need to import fertilizers, and pesticides. To pay for these?....more cash-crop exports. The dream of an unlimited boom that would fund industrial development was soon shattered. From the mid-50's, the terms of trade (see graph) began to move, at first slowly and then staggeringly, against the new states, (not only in Africa). Competition between producers, and the invention of synthetic raw materials ended the period of high prices, and the renewed ability of the industrial countries to export manufactured goods



(1). Geography of African Affairs P. Fordham (Pelican) p47.

(Source of graph above; Finance and Development Vol XI, 1.)

soon eroded the yearly balance of payments surpluses (generally fairly small), and eventually exhausted the credit balances built up during the war; by 1960 few African countries had a positive balance of payments. Very soon after independence, the African states were forced onto the circuit of international borrowing, re-emphasising their continued domination by the advanced capitalist countries. At first the borrowing was to fund development programmes, then as things worsened to cover mounting balance of payments deficits, and today borrowing is often to pay interest on previous defaulted loans, as in the case of Zaire.

Economically, these states have shown a marked similarity in their development; brief prosperity and limited growth that slowly evaporated without producing overall economic development. At best the end result has been a patchwork infrastructure and stunted consumer goods industries. In Kenya, for example, which had a tradition of Asian petty capitalism and white settler capitalism, tariff barriers have nurtured the growth of fragile industries such as glass, textiles and processed food for the home market, with even some exported. At the other end of the scale is the "workers' state" of Somalia, which must have the world record for economic backwardness; 60% of its exports are live animals, herded by nomads.

The vast majority of African states remain mono or duo cash cropping or metal extracting economies. Zambia, for example, earned 96% of its foreign revenue from copper in 1968, and in the same year Sierra Leone earned 60% from diamonds. Ghana the first independent state, and for long the most prosperous, still earns 55% of its export value from cocoa. In some west African states, for example, Gambia, not a single item apart from nuts is exported, and rubber from Liberia, diamonds from Angola, coffee from Uganda could all be added to the list.

In the overwhelming majority of cases, capital developments which have taken place in post-colonial Africa, have been in the further development of extractive industries by foreign capital. Manufacturing industry is thin on the ground, and tends to be sub-assembly for local markets of parts shipped out from Europe and America-eg. the British Leyland truck plant in Nigeria. The dominance of foreign capital is also marked in the large-scale prestige type developments like the Akosombo dam in Ghana. Ghana raised half the capital by severe taxes on cocoa producers at the time of high prices, and borrowed half. The resulting project produces high grade alumina from U.S. bauxite which is shipped to production facilities in America. As to capital which is flowing into Africa, it is coming from areas where the rate of profit is falling.

Capital flows to areas where it gets the highest return. Competition between capitals produces a rising organic composition of capital, i.e. ratio of fixed capital (machines, materials) to variable capital (labour power). This expresses

itself in crisis situations, as a fall in the rate of profit.(1) From the advanced areas some capital now moves to where it can obtain higher profits by securing cheap labour (i.e. paying labour power below its value). But only in certain circumstances is cheap labour a factor which outweighs all others - otherwise the world's productive capacity would be in Asia or Africa. The factors which outweigh cheap labour are: lack of a local market, lack of infrastructure, lack of a suitable labour force, the heavy capital outlay necessary to begin production and additional transport costs to markets. Investment will only be attracted while the prospect of a higher rate of profit than elsewhere exists. Punitive taxes and/or laws enforcing local investment of profits can never be very severe. Were they so, then once the excess profit over what could be earned at home disappeared, the capital would be repatriated. Nationalisation would simply mean that no more investments would be forthcoming.

The case of Sekou Toure's Guinea illustrates this well. Once given independence from France, Toure carried out a wave of nationalisations, and proceeded to re-orient trade towards the Soviet bloc. At this time, however, the U.S.S.R. was little interested in Africa, and Toure found Guinea paying for much needed Soviet imports in western currencies, so building up Russia's reserves! Soviet loans were not for the asking, and carried interest as did western ones, and there was no Soviet investment forthcoming. Now Guinea has returned most of the statified companies to private hands, and has again opened its doors to foreign investment on easy terms.

The sheer scale of capital developments today means that only foreign capital can develop in Africa; and this will only be in the time honoured enclave manner, tied to the world market and leaving the local economy lumpenised. Contrary to what many think (who imagine that parasitic state employees or subsistence peasants enter into its calculations) the organic composition of capital, (that is, foreign capital) is as high in Africa as it is anywhere:

"On the basis of neoclassical economic theory, such conditions - low wages and high interest rates- should indicate a preference for relatively labour intensive industries. Yet, despite this, most industries are as capital intensive as in Europe.... heavy investment in technically advanced capital goods (is) a prerequisite for economic use of cheap. @ Capital intensive methods of production (also) reduce the need for (scarce and costly) supervisory labour by setting minimum standards for unskilled workers." (2). (@; insert "labour").

Capital invested in production in Africa must be of a composition equal to prevailing levels. To compete in the market any capitalist must be able to sell at roughly the same price

(1) For a more detailed analysis see "the Economics of Capitalist Decadence" in R.P.2.

(2) "Men and Machines in Africa" by G. Pfefferman in Finance and Development Vol.XI No.1 (March 1974) p.17 - emphasis added.

as his competitors. The higher the organic composition of capital, the cheaper the unit commodity produced. Capitals of low organic composition produce objects with a high value which must be sold at a lower price. If the difference between them is great, the low composition capital will not even recover its production costs.

Recently a minor version of the original post war commodity boom had given relief to certain states. Those black African states with oil reserves (notably Nigeria and Gabon) have benefitted from the rise in oil prices following the Middle East war in 1973; once again only inter-imperialist confrontations can fund development in the backward areas. Nigeria in particular has advanced on development programmes based on euphoric assumptions about the foreign exchange potential of its oil reserves. However, in real terms the price of oil has been falling for three years as value reasserts its domination over force as the arbitrator of capitalist market relations. Like others, Nigeria is learning that more than a little oil is needed to make accumulation run smoothly. In addition to a virtual absence of skilled labour and to a chronic lack of infrastructure (the turnaround time for ships in Lagos harbour is an average of four months; once unloaded goods can take the same time again to be delivered due to lack of transport facilities) Nigeria has been facing real declining income from her oil, as the prices of manufactured goods rise sharply. And even this fragile 'growth' can only last as long as the hiatus in the collapse of international capitalism. Further recession of the oil consuming countries on even a minor scale could wipe out Nigeria's trade surplus at a stroke. And this is of course true of any country whose commodity is temporarily in high demand:

"African countries live by the export of food and raw materials, in so far as their inhabitants are engaged in the money economy at all....A slight fall in industrial production in Europe can lead to a catastrophic fall in the income of an underdeveloped country." (1)

To summarise; the inability of the black African states to develop economically is effect and cause of their inability to convert their population from pre-capitalist forms of economy into wage-labourers. Without a working class there is no surplus-value, and without this no accumulation. The domination of the advanced capitalist powers in the world market expresses itself in Africa by the economically enforced exclusion of the majority of the population from this market. Were any empirical evidence needed to refute Luxemburgist economics, Africa provides volumes. Here are hundreds of millions of human beings in pre-capitalist forms of economic existence, and capitalism is unable to integrate them. The historic crisis cannot be caused by exhaustion of pre-capitalist areas, on the contrary, this crisis is the reason why they cannot be exhausted. (2).

(1) Fordham, Op. Cit p 80-1.

(2) For an example of the squared circles of Luxemburgism, see Angola, Ethiopia; inter-imperialist struggle in Africa (ICC).

POLITICAL DEVELOPMENTS SINCE INDEPENDENCE.

The bulk of newly independent states initially set up caricatures of the colonial powers' parliamentary systems, often down to copying the minutia of the ceremony and regalia. Political parties emerged, overwhelmingly based on tribal loyalties, and proceeded to fight for control of the state and the spoils of office, by means of their captive voting fodder - as was the case in Ghana, Nigeria, the Congo. Such a system worked reasonably well till the spoils began to dwindle, and state debts and balance of payments deficits began to mount. Then the cry was raised against corruption and mismanagement by that strata which could try and project itself as the neutral, non-tribal personification of the 'nation' - the army. The effects of the end of the commodity boom can be summed up in two words; military rule.

One by one in the 1960's, the new states fell to military rule, the abolition of tribal parties, and the institution of one-party states. In Ghana for example, the overthrow of Nkrumah co-incided virtually to the day that cocoa prices hit their lowest level ever (February 1966).

Under military rule efforts have been made to curb wasteful corruption, to discipline the population (e.g. outlawing strikes) and enforce lower living standards, and institute more draconian economic 'planning'. Additionally, help has been sought from imperialist backers to build up the only section of the economy for which unlimited credit is available - armaments. This has the advantage of tying the military state to the parent imperialism by means of debt, need for advisers, spare parts etc. In many states the Army is the only institution which functions at all effectively. This builds up naturally provided fuel which can burst into flame at the slightest increase in tension in any area of Africa. It would be depressing to survey all the outbursts of imperialist warfare in Africa since 'liberation', and we will content ourselves with looking at three of the most important; the civil war in the Congo, that in Nigeria and the brewing struggle in the horn of Africa. The paradigmatic case of Angola we have dealt with at some length elsewhere. (1).

No-one should idealise pre-colonial Africa. Wars were endemic to that society. But the devastations of modern mechanised warfare in an area where 'civil society' is still subordinated to tribal loyalties are far worse than pre-colonial warfare. The Belgian Congo was typical of the absurdities of colonialism; comprising the drainage area of the river of that name, it cut across tribal divisions and economic regions. Mainly it had been developed as a mining base for Union Miniere. When independence was granted a pro-Soviet regime under Lumumba came to power, and Union Miniere financed

(1) See "Angola; natural paradise, capitalist inferno" in Workers Voice 17

a secessionist movement in the Katanga province where 60% of the wealth and 17% of the population were, hoping to leave the rest (mainly jungle) to the Kremlin. The development of the new Benguala railway allowed Union Miniere to by-pass the Congo River, the traditional route for the export of copper. Lumumba was murdered, and after months of tribal warfare, the U.N. restored an uneasy peace, and ended the secession. A series of military coups followed, the last of which brought Zaire (as it now is) under Mobutu, firmly into the American camp.

But the Congo was dwarfed by events in Nigeria seven years later. Here the federation built up out of tribal units fell apart after pogroms of the Ibo people of the east by the dominant northern Hausa tribes. The oil-rich eastern part where the Ibos live seceded as an independent state (Biafra), and in the civil war which followed hundreds of thousands of Biafrans were killed or died of starvation. Russia, with its policy of backing winners to gain influence, supported the Nigerian regime against Biafra, hoping to get air bases and trade agreements out of this; only the latter actually materialised. Britain, which had massive investments in Nigeria, gave military support to the Nigerian government in order to bring the secession to an end (and incidentally to reap profits on arms supplies). Thus were the £600 million of Unilever and B.P. in the area protected. France supplied arms to the Biafrans, which extended the war to the profit of French arms interests. As in the Congo, the civil war in Nigeria could only be fought since the local participants had been armed to the teeth by the capitalist powers who extended liberal credit terms to black African rulers in return for investment and trade agreements.

It seems that the next explosion in the continent will take place in its least known corner, the north east. Astride the sea route from Europe to the east down the Red Sea, this is a strategically vital area, which must rank as one of the most backward in the world. Here the imperialist kaleidoscope has produced some weird alignments. On the one hand we have Ethiopia, undergoing its 'socialist' revolution after the overthrow of Haile Selassie in 1974, courtesy of the Ethiopian army, armed and backed by the U.S.A. Overthrowing the imperial caste and the corrupt Coptic Church, the army has made frantic efforts at modernisation (1), which have all failed and the country is being kept from collapse by that well known lover of socialist revolutions, American imperialism. In return this has a friendly regime, which controls a vital strip of the Red Sea trade route, across from Saudi Arabia, another U.S. ally, thus giving it safe control of the area. Or so it seemed until recently.

But the ruling "socialist" Dergue, is now faced with a secessionist movement in Eritrea, the region's Red Sea coastline. Here the Eritrean Liberation Front (E.L.F.), which is pro-

(1). This included the time-honoured "socialist" methods of outlawing strikes and firing on workers' gatherings.

Moscow, and supported by the neighbouring "workers' state" of Somalia. Somalia has been armed to the teeth by the Soviet Union (in return for which a naval base at Mogadishu has been rented to the Soviet Fleet) and as well as supporting the E.L.F., has laid claim to parts of Ethiopia and northern Kenya, to both of which the USA has recently been rushing arms. Should the E.L.F. succeed, the USA would have little further interest in "socialist" Ethiopia, and in anticipating Eritrean independence, has been arming a rival, royalist liberation front in the province, at the same time as building up the Ethiopian Army which it is fighting!

Whether the tensions building up in this area lead to a major outbreak of war, ultimately depends on the interests of the arms dealers, the USA and USSR. At the moment the former favours international stabilisation and the use of its greater economic power to combat its imperialist rival. The pulling of Egypt out of the Russian block is an example of the kind of competition with Russia America now favours. Russia is no match for America economically; militarily however both are about on a par. Therefore, Russia favours situations of destabilisation and conflict, which it hopes can develop to its advantage without leading to a major war. Thus Russia wants to repeat Angola in the horn of Africa, the USA to pull off another Egypt.

Other powers are involved in Africa to the extent allowed by the major imperialisms; this is true of Britain and France, and no less so of China. China's sole successful venture in Africa is the building of the Tanzam railway and arming of the Tanzanian armed forces, a "prestige" project, designed to achieve this aim and not as a serious prelude to involvement in Africa. Over Africa as a whole, Chinese intervention is only slightly greater than that of Oxfam. Attempts to support independent forces, such as UNITA in Angola, failed, and have given way to becoming the tail of the American imperialist "running dog", and support for the latter's bloc with South Africa. The future of Africa will be decided in Moscow and Washington, not in Peking or Pretoria; this was revealed in the recent Angolan civil war, when the states of the Organization of African Unity split 50-50 in their allegiance-according to which of the major imperialisms they were economically tied.

THE AFRICAN WORKING CLASS

Outside of South Africa (see below), Africa is the least industrialised and proletarianised part of the globe, far behind Latin America and even Asia. Wage earners are a small minority of the population, and the bulk of these are in service sectors, or in the parasitic state bureaucracy. Actual productive workers, that is plantation, industrial and transport workers, are certainly no more than 2% of the population between the Sahara and Republic of South Africa.

All wage-earners constituted the following proportions of the population in certain west African states in 1957; Ghana, 5% Nigeria 1.4% Senegal, 2.4%. Since then, though the numbers have grown absolutely, due to increased rural population, they have almost certainly fallen in relative terms. To the above figures must be added the "semi-proletarian elements", the rural poor who take up short term contract labour, and the casual labour of the semi-lumpenised urban floating population.

Small as its is, the African working class is the only de-tribalised element in African society. Highly concentrated in key industries and small areas, a hereditary proletariat is beginning to emerge in the extractive industries, plantations and "prestige" developments. Due to this concentration, the African working class has been able to advance its living standards beyond those of the peasantry, through use of its economic muscle. Not surprisingly, the workers have found themselves on these occasions face to face with the nationalist bourgeoisie and the Army, and been subject to propaganda about the 'unpatriotic' nature of its struggles.

Stunning, considering the poverty of the African working class (1), the theme constantly occurs in African writing of the workers as a privileged elite which is throttling the nation. Army, leftist politicians and their liberal hangers-on beat this particular drum with gusto. According to Franz Fanon, one time leftist guru,

"The workers are in fact the most favoured section of the population, and represent the most comfortably off section of the people. Any movement starting off to fight for the bettering of the living conditions of the dockers or workmen (would) run the risk of provoking the hostility of the disinherited rural people." (2)

This theme has been echoed by every self-proclaimed "marxist" leader in black Africa, from Senghor in Senegal to Sekou Toure in Guinea. After strikes in Kenya in the early 1960's, Tom Mboya proclaimed, "If the right to strike is abused, it will be removed. The government cannot see the country held to ransom and do nothing about it."

But the African workers do not base their actions on the speeches of nationalist politicians, but on their own perceived life-needs. Thus, despite the "Marxism" of the new M.P.L.A. rulers in Angola, a wave of strikes have broken out there amongst transport and other workers; predictably, they have been denounced as "counterrevolutionary" (3).

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- (1). In 1964, the Nigerian Commission on Wages estimated that minimum subsistence required a wage of £16 a month; the average wage at that time was 50% of that.
- (2) Qu. in Ion Davies African Trades Unions (1966) p1X (Penguin).
- (3) For a full analysis of the liberation of Angola, see the text in Workers Voice 17, "Angola" (15p inc post).

These struggles are only the latest chapter in a long series of battles undertaken by the African workers. Just after W.W.2, cost of living increases in Nigeria led the unions to call for a general strike, called off when British troops mobilised. Nevertheless, 30,000 workers came out in the first mass strike in Africa (outside South Africa), and this was followed by a rash of protest strikes in 1949, after troops had fired on strikers at Enugu colliery. Later in the mid 1960's, hundreds of thousands struck in Nigeria for wage increases and tax reductions. But in this movement the workers were submerged in the masses of petty bourgeoisie who also "struck", and never escaped the frontist policies of the pro-Moscow trades union leaders.

Another important struggle was that of the dockers and railwaymen in Takoradi in 1961, in Ghana. At this time Nkrumah was still in the saddle and leading Ghana to socialism, Chinese style. The strike was denounced by the ruling Convention People's Party and the state run unions, and faced also the use of the Army and martial law, which finally broke the strike. Nkrumah himself denounced the strikers as "rats", and his union leader John Tettegah stated,

" In a socialist Ghana, the distribution of the national income is no longer the chance outcome of a chaotic struggle between the classes. Rather it is based on scientific decisions regarding increases in the utilisation of the nations wealth." (1).

By 1961, real wages in Ghana were lower than they had been in 1939; so much for scientific "socialism". In addition to these high points of class struggle mentioned above, there have been strikes among copper miners in Zambia, railwaymen in the Sudan, plantation workers in Mozambique, and in Kenya's protected consumer industries.

Black Africa reveals many features of decadent capitalism in sharp relief, and this is especially true of the trades unions. The chronic backwardness of the economy over Africa demands the strictest centralisation and state directed efforts at accumulation (which often turn out to be dissaccumulation). Within this framework there is less and less room for the pretence of bourgeois democracy, and military rule is its most suitable political form. But there has never been any room in Africa for the pretence of free trades unions, even on the western model. Most of the trades unions were formed as arms of the black nationalist parties in the independence struggles, and today they are either simply abolished, as in many military states, or solely function as a department of state. In Guinea and Senegal for example, union membership is compulsory, dues deducted at source, and the right to strike severely curtailed, as it is everywhere. The aims of African trades

unions, as seen by a big white liberal, are as follows,

" The new national unions are government agencies, no longer concerned with making bargains over wages, but instead expected to increase productivity, maintain labour discipline, and help workers newly arrived from rural areas to adjust to the problems of town life." (1)

It may be objected that South Africa is an exception to this. Here, admittedly, the white workers unions have long been nothing other than the industrial policemen of capitalism, but unions for black workers are not allowed, still less integrated into the state. In the early 1920's the Industrial and Commercial Workers' Union of Klemens Kadalie organized mass strikes of black workers, eg. 40,000 in 1920, but since then black workers unions have been suppressed. But already, many employers negotiate unofficially with the black unions, and given the coming to power of a black ruling class, or a more liberal white one, the "exclusion" of the unions from the state would swiftly end. Indeed, the violent outbursts of the black proletariat are deplored by the underground unions, who regard them as a regrettable cost of the lack of real unions which would discipline the labour force into sensible industrial relations.

In South Africa are concentrated the bulk of Africa's proletariat, about 2,000,000 productive workers with a long history of class struggle. Clearly, in any world-wide upheaval, it is vital that the African proletariat is shown the way ahead by its most concentrated and combative element in South Africa. But before we deal with the issues facing the South African workers, the question of the actual industrial development of South Africa has to be explained.

SOUTH AFRICAN CAPITALISM AND THE WORLD CRISIS.

The Republic is an economic giant in African terms, accounting for over three-quarters of the continent's industrial output. Though, to get things in perspective, the G.N.P. of South Africa is only 15% of that of Britain, itself hardly a shining advert for capitalism. Fantasies about South Africa as a powerful independent imperialism, are as ludicrous as seeing it as being immune from the economic crisis.

The main feature of South Africa, is that it is a state which had developed its ties with the world market long before 1900. Indeed, from its early colonisation by the Dutch, when it was an outpost on the route to India, it was a commercial colony. Colonised by farmers, land was early a commodity,

South Africa also sits on the largest mineral belt in the world. The early economic development of the area was based overwhelmingly on raw material production, and of that the bulk was precious metals and diamonds. Again, the later was mainly composed of the "universal commodity" gold. Unlike other commodities, gold is generally immune from direct competition. South Africa, then provided metals for the majority of the world's mints; the exchange earned from this has meant a steady commodity boom, around which the booms and slumps of the other commodities occurred. Incidentally, the Republic also benefitted hugely from the First and especially the Second World War when all its mineral and natural resources became for a period "as good as gold".

The subsequent industrialisation of the Republic has come from two sources. On the one hand the revenue procured by the state from the mineral sales has led to state-directed build up of industry; steel(I.S.C.O.R.), railways, utilities have been developed by state capitalist measures:

"...the Iron and Steel Corporation (I.S.C.O.R.), together with the whole range of state sponsored enterprises which followed in the years to come, laid the basis of industrial capitalism in South Africa... the Nationalists strengthened and widened the protective measures designed to foster the country's industrial development. Import quotas, customs tariffs, subsidies, rebates.....followed hard on their political ascendancy.. Today just over 50% of gross domestic fixed investment is sponsored by the capitalist state through public authorities and corporations." (1).

The other factor was the inflow of foreign capital into an area with commodity relations, a market and a readily built infrastructure, after the Second World War; this now mainly, as opposed to in the past, went into productive industry, driven by the lowering rate of profit at home to utilise low cost African labour. Generally this is only 25-30% as costly as average rates in Europe and the U.S.A. Between 1956 and 1970 foreign direct investment more than doubled, and the bulk of this went into manufacturing. Unlike in the rest of Africa, these developments have led to a more all-round development of capitalism; agriculture, transport, and manufacturing based on native coal and steel production. In these industries are concentrated the bulk of the black South African workers: more and more the lower paid mines employ migrant workers from outside the Republic.

(1) "South African Capitalism; neo-Ricardianism or Marxism?" by Michael Williams in Bulletin of the Conference of Socialist Economists. Vol.1V No.1, February 1975. (pages 11, 12, 33 - the last is footnote 16). This article is a useful analysis of the economic development of South Africa despite the author's domination by leftist fantasies. E.g. he expects Mozambique to withdraw migrant labour from South Africa's mines and bring it to its knees!

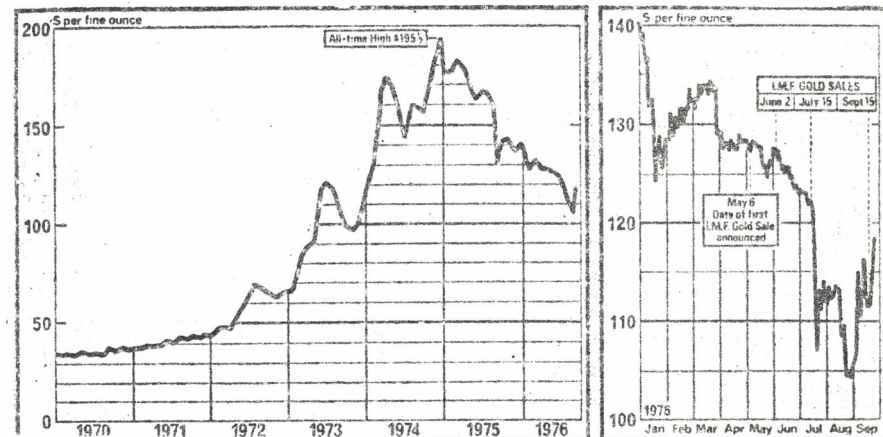
South Africa's present position emphasises the point we have been making throughout this article; once capitalism has established its domination over the globe, we cannot simply explain the events in any particular area by 'autonomous' factors. South Africa is caught up in the present world economic crisis and struggles between the super powers.

Korsch said that all contradictions to Marxism are resolved once they become specific; this is patently so with the boom that occurred in South Africa, while the rest of the world sank deeper into the economic crisis after 1970.

To some extent the boom of 1970-75 was due to continued capital inflows seeking a higher rate of profit, but it was much more due to the havoc wreaked in the international money market by the differing fates of the various capitals, which expressed the need for the end of the fixed exchange rates established after the Second World War. The unrelenting chaos in money markets in these years, itself a product of the crisis, led to the creation of a new 'unofficial' gold standard, as investors rushed to exchange falling or dubious currencies for gold, as a sure store of value which would be immune from catastrophic falls. For a while the dollar, as the international index of currency values, was replaced in the chaos by gold, and the rocketing of the gold price allowed the Republic to push ahead with ambitious development programmes, and also to equip itself with one of the most advanced military forces in the world, courtesy of American imperialism.

But due to the soaring costs of imports and armaments, the development plans were scaled down, and recent developments have put them sharply into reverse. U.S. capital as the dominant world capital, forced down the price of gold, by means of gold auctions by the U.S. dominated International Monetary Fund.

LONDON GOLD PRICE: source, Financial Times.



In real terms (i.e. taking account of inflation) the value of gold has fallen to little more than 1970 levels, and the position of the dollar as the international currency is being reasserted.

The U.S. also adopted this strategy to pressurise the South African ruling class into line with the policy needs of U.S. imperialism in southern Africa. Since the M.P.L.A. victory in Angola the U.S. has been seeking accommodations with black nationalism. This has led to the isolation of the Smith regime in Rhodesia and pressure from the U.S. for liberalisation in South Africa itself. But the economic crisis and changed interests of American imperialism, have forced the South African bourgeoisie into a political impasse. As we said elsewhere:

"The seemingly logical option of 'liberalisation' is in fact closed to the South African rulers. Those in South Africa's white population who support such a policy as is favoured by the U.S. and industrial capitalism (which, if not state-owned like the steelworks, is mainly international) are the English speaking minority, who could not gain control of the state. This is the reserve of the Afrikaners, and it is precisely the Afrikaans capitalist whose material basis is apartheid, since they are the agricultural and mining interests, who can function quite well with cheap, unskilled black labour...Indeed, sections of the Afrikaans capitalists have been calling for quite the opposite, for an intensification of apartheid, and pushing on with the policy of the creation of the Bantustans. These are African homelands, created on the worst land, in which every South African black must take out citizenship.... such repressive policies can only lead in the end to an erosion of South Africa's industrial base, and leave it as a mining and agricultural country... The most likely course that the South African bourgeoisie will follow, will be to adopt a few window dressing measures.... and at the same time to strengthen their system of physical repression. With a foot in both camps, they will try to 'sit it out', in the hope that an economic recovery will be forthcoming... As long as U.S. support is forthcoming, South Africa will survive, 'freezing' its social relations. If "black liberation" comes to South Africa, it will be courtesy of American imperialism." (1).

THE FUTURE.

By way of conclusion, it is necessary to look at the perspectives for black Africa and its population in the coming years. Everything depends on what happens in the heartlands of capitalism in two ways. Firstly, the economies of the African states

(1) "South Africa" in Workers Voice 20. (Pages 8,9)
Copies still available from group address.

are appendages of the advanced countries', and whether they slide further into decay, or manage to arrest this slide, depends on the decisions taken by the advanced countries (while they still have room to manoeuvre, given the relative immaturity of the crisis). Secondly, what happens in the continent will depend on the military and political aims and interests of the super powers, as they manoeuvre for advantage against each other. The further slide into recession of the advanced states will erode the margin of survival of the black African countries, and lead to violent movements seeking political and economic re-alignment; such movements can now only occur via the military machine, either via palace coups as in Ethiopia, or in the severing of the machine along tribal lines, as in Nigeria in 1967. For the population of these areas for many years to come it will be 'business as usual' - that is, stagnation, misery and massacre. Such cynicism is unavoidable; as Marx said, the cynicism does not lie in the words, but in the facts which they describe.

For the African working class in particular, the future holds no exceptions to this bleak picture, at least in the short term. Fantasies about these states being the 'weak links' in world capitalism, and the possibility of isolated proletarian bastions emerging in them must be rejected. Any movement of the tiny working class, that did escape the bound of tribalism, nationalism and racialism would be immediately isolated and treated to brutal repression, against which the workers would be powerless. Only when their military rulers have no unlimited flow of weapons at their disposal, could any uprising be a success. This can only be the case when the supplies from the capitalist metropolises are interrupted, that is when they themselves are facing a revolutionary situation. But it is not just a technical question; due to the isolation of the African working class and the dead weight of the non-proletarian ideologies which weigh on it, we can only expect positive developments in the continent when the workers in the advanced countries have taken the revolutionary road, and given a clear lead. Then the perspective that could open up is of advances for the social revolution within these enclaves that will serve as footholds for the transformation of areas like black Africa into the world community of freely associated producers, when the material resources of the area play their full role in the satisfaction of humanities' material needs, including those of the present "wretched of the earth". For this reason the working class of Africa, small though it is, will have enormous tasks to fulfil in the future.

Faced with the spate of national and inter-imperialist wars in the continent, the attitude of the African workers must be that, though they cannot prevent them, they can never support them, and must continue fighting on their own class interests until such time as they can link up with a developing world socialist revolution. National liberation has nothing to offer but draconian exploitation and a continually falling standard of living, in return for exploitation by a ruling class of a similar colour of skin, who themselves become the brokers of the major imperialisms.